

BANK BRADESCO
Form 6-K
February 05, 2016

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

FORM 6-K

**REPORT OF FOREIGN PRIVATE ISSUER PURSUANT TO RULE 13a-16 OR 15d-16 UNDER THE
SECURITIES EXCHANGE ACT OF 1934**

**For the month of February, 2016
Commission File Number 1-15250**

BANCO BRADESCO S.A.
(Exact name of registrant as specified in its charter)

BANK BRADESCO
(Translation of Registrant's name into English)

**Cidade de Deus, s/n, Vila Yara
06029-900 - Osasco - SP
Federative Republic of Brazil**
(Address of principal executive office)

Indicate by check mark whether the registrant files or will file annual reports under cover Form 20-F or Form 40-F.
Form 20-F Form 40-F

Indicate by check mark whether the registrant by furnishing the information contained in this Form is also thereby
furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of
1934.

Yes No

Table of Contents

Table of Contents

1 - Press Release	3
Highlights	4
Main Information	6
Ratings	8
Book Net Income vs. Adjusted Net Income	8
Summarized Analysis of Adjusted Income	9
Capital Ratios - Basel III	21
Economic Scenario	22
Main Economic Indicators	23
Guidance	24
Managerial Income vs. Adjusted Income Statement	25
2 - Economic and Financial Analysis	29
Statement of Financial Position	30
Adjusted Income Statement	31
Interest and Non-Interest Earning Portions	31
– Interest Earning Portion	32
• Interest Earning Portion of Credit Intermediation	34
• Interest Earning Portion of Securities/Other	51
• Interest Earning Portion of Insurance	51
– Non-Interest Earning Portion	51
Insurance, Pension Plans and Capitalization Bonds	52
– Bradesco Vida e Previdência	59
– Bradesco Saúde and Mediservice	61
– Bradesco Capitalização	62
– Bradesco Auto/RE and Atlântica Companhia de Seguros	64
Fee and Commission Income	66
Personnel and Administrative Expenses	70
– Operating Coverage Ratio	73
Tax Expenses	73
Equity in the Earnings (Losses) of Affiliates	73
Operating Income	74
Non-Operating Income	74
3 - Return to Shareholders	75
Corporate Governance	76
Investor Relations area – IR	76
Sustainability	77
Bradesco Shares	77
Market Value	80
Main Indicators	81
Dividends/Interest on Shareholders' Equity – JCP	82
Weight on Main Stock Indexes	82
4 - Additional Information	83
Market Share of Products and Services	84

Reserve Requirements	85
Investments in Infrastructure, Information Technology and Telecommunications	86
Risk Management	87
Capital Management	87
Basel Ratio	88
5 - Independent Auditors' Report	89
Independent Reasonable Assurance Report on the Supplementary Accounting information included within the Economic and Financial Analysis Report	90
6 - Consolidated Financial Statements, Independent Auditors' Report, Audit Committee Report Summary and Fiscal Council's Report	93

Bradesco -

Forward-Looking Statements

This Economic and Financial Analysis Report contains forward-looking statements related to our business. Such statements are based on management's current expectations, estimates and projections concerning future events and financial trends that may affect our business. Words such as "believe", "anticipate", "plan", "expect", "intend", "goal", "estimate", "forecast", "predict", "project", "guidelines", "should" and other similar expressions are used to indicate predicting statements. However, forward-looking statements are not guarantees of future performance and involve certain risks and uncertainties that may be beyond our control. In addition, some forward-looking statements are based on assumptions which, depending on future events, may prove not to be accurate. Therefore, actual results may differ significantly from the plans, goals, expectations, projections and intentions expressed or implied in such statements.

The factors that may impact the actual results include, among others, changes in regional, national and international trade and economic policies; inflation; an increased number of defaults by borrowers in loan operations, with a consequent increase in the allowance for losses from loan operations; loss of ability to receive deposits; loss of customers or revenues; our ability to sustain and improve performance; changes in interest rates which may, among other things, adversely affect our margins; competition in the banking industry, financial services, credit card services, insurance, asset management and other related industries; government regulation and fiscal affairs; disputes or adverse legal proceedings or regulations; and credit and other risks involved in lending and investment activities.

As a result, one should not rely excessively on these forward-looking statements. The statements are valid only for the date on which they were drafted. Except as required by applicable law, we do not assume any obligation to update these statements as a result of new information, future developments or any other matters which may arise.

Some numbers included in this Report have been subjected to rounding adjustments.

As a result, some amounts indicated as total amounts in some charts may not be the arithmetic sum of the preceding numbers.

Economic and Financial Analysis Report – December 2015

Press Release

Highlights

The main figures obtained by Bradesco in the year of 2015 are presented below:

1. Adjusted Net Income⁽¹⁾ for the year of 2015 stood at R\$17.873 billion (an 16.4% increase compared to the R\$15.359 billion recorded in the same period of 2014), corresponding to earnings per share of R\$3.55 and Return on Average Adjusted Equity⁽²⁾ of 20.5%.
2. As for the source, the Adjusted Net Income is composed of R\$12.584 billion from financial activities, representing 70.4% of the total, and of R\$5.289 billion from insurance, pension plans and capitalization bonds operations, which together account for 29.6%.
3. In December 2015, Bradesco's market value stood at R\$100.044 billion⁽³⁾.
4. Total Assets, in December 2015, stood at R\$1.080 trillion, an increase of 4.6% over the December 2014 balance. The return on Average Total Assets was 1.7%, an increase of 0.1 p.p. over December 2014 (1.6%).
5. In December 2015, the Expanded Loan Portfolio⁽⁴⁾ reached R\$474.027 billion, up 4.2% over December 2014. Operations with individuals totaled R\$147.749 billion (an increase of 4.5% over December 2014), while corporate segment operations totaled R\$326.278 billion (up 4.0% over December 2014).
6. Assets under Management stood at R\$1.510 trillion, a 5.9% increase over December 2014.
10. The Delinquency Ratio over 90 days stood at 4.1% in December 2015 (3.5% in December 2014).
11. The Operating Efficiency Ratio (ER)⁽⁵⁾ in December 2015 was 37.5% (39.2% in December 2014), while in the "risk-adjusted" concept, it stood at 46.5% (47.9% in December 2014).
12. Insurance Written Premiums, Pension Plan Contributions and Capitalization Bond Income totaled R\$64.612 billion in the year of 2015, up 15.1% when compared to the year of 2014. Technical Reserves stood at R\$177.835 billion, an increase of 16.0% compared to the balance in December 2014.
13. Investments in infrastructure, information technology and telecommunications amounted to R\$5.720 billion in the year of 2015, up 14.4% over the same period in the previous year.
14. Taxes and contributions paid or recorded in provision, including social security, totaled R\$25.763 billion, of which R\$12.401 billion were related to taxes withheld and collected from third parties, and R\$13.362 billion were calculated based on activities developed by Organização Bradesco, equivalent to 74.8% of the Adjusted Net Income⁽¹⁾.
15. Bradesco has an extensive Customer Service Network in Brazil, with 4,507 Branches and 3,511 Service Points (PAs). Customers of Bradesco can also count on 736 ATMs located on a company's premises (PAEs), 43,560 Bradesco Expresso service points, 31,527 Bradesco ATMs, and 18,940 Banco24Horas Network ATMs.

7. Shareholders' Equity totaled R\$88.907 billion in December 2015, 9.1% higher than in December 2014. Basel III Ratio, calculated based on the Prudential Consolidated stood at 16.8% in December 2015, 12.7% of which was classified as Common Equity / Tier I.

8. A total of R\$6.035 billion was paid to shareholders as Interest on Shareholders' Equity and Dividends for the profit generated in 2015, of which R\$1.981 billion were paid in monthly and interim installments and R\$4.054 billion, as complementary, whose payment will be made on March 1, 2016.

9. The Interest Earning Portion of the Net Interest Income stood at R\$54.777 billion, an increase of 15.3% compared to the year of 2014.

16. Payroll, plus charges and benefits totaled R\$12.507 billion. Social benefits provided to all 92,861 employees of Organização Bradesco and their dependents amounted R\$3.150 billion, while investments in education, training and development programs totaled R\$145.135 million.

17. In December 2015, the addendum to the contracts for the Offer of Credit Cards and other related financial services was firming with Via Varejo S.A., related to the "Casas Bahia" brand, and the Services Contract as Banking Correspondent in the country, related to the correspondent activity provided by Via Varejo to Bradesco.

Highlights

18. In January 2016, Bradesco informed the market that Central Bank approved the acquisition of 100% of the share capital of HSBC Bank Brasil S.A. – Banco Múltiplo and HSBC Serviços e Participações Ltda. ("HSBC"). The completion of the operation is subject to the approval of the other competent regulatory authorities and in compliance with the legal formalities.

19. In January 2016, Bradesco signed a non-binding Memorandum of Understanding with Banco do Brasil S.A., Banco Santander (Brasil) S.A., Caixa Econômica Federal and Itaú Unibanco S.A., in order to create a holding company of credit intelligence ("GIC"), which will develop a database with the goal of adding, reconciling and handling database and credit-related information, of individuals and legal entities, which expressly authorize their inclusion in the database, as required by the applicable rules.

20. Major Awards and Acknowledgments in the period:

- Considered the best Brazilian bank of 2015 of The Banker Awards (The Banker / Financial Times);
 - Largest private group in the country, with revenues of R\$201.2 billion, in the ranking "Valor Grandes Grupos", which lists the 200 largest groups that operate in Brazil (Valor Econômico);
 - For the 11th consecutive year, the common and preferred shares are on the list of the Índice de Sustentabilidade Empresarial (ISE - Corporate Sustainability Index) of BMF&Bovespa;
 - Grupo Bradesco Seguros was the highlight of the Award "Cobertura Performance 2015" (publisher Editora Cobertura);
 - Highlight in three important rankings of efficiency in people management: "Best Companies to Work For in Brazil" (Guia 2015 Você S/A – The 150 Best Companies to Work); "The best in People
- It was one of the highlights among the best fund managers of Brazil (Revista Exame / Fundação Getúlio Vargas (FGV)); and
 - Featured among "The Best Companies for the Consumer 2015", according to the survey Época Reclame Aqui, appearing as champion in the categories "Banks", "Banks and Financial Services", "Cards and Insurance".

Organização Bradesco is fully committed to internationally recognized sustainability and corporate governance initiatives, particularly: Global Compact, PRI (Principles for Responsible Investment), and Equator Principles. We set our guidelines and strategies with a view to incorporating the best sustainability practices into our businesses, considering the context and the potential of each region, thus contributing to the generation of value in the Organization. Our management process adopts economic and socio-environmental indexes developed in Brazil and abroad, such as the Dow Jones Sustainability Index (DJSI), the Corporate Sustainability Index (ISE, of BM&FBovespa), and the Carbon Efficient Index (ICO2, also of BM&FBovespa), as well as the guidelines and indexes of the Global Reporting Initiative (GRI) and the Carbon Disclosure Project (CDP).

With a broad social and educational program in place for 59 years, Fundação Bradesco operates 40 schools across Brazil. In 2015, a R\$502.721 million budget benefitted 102,182 students enrolled in its schools at the following levels: basic education (from kindergarten to high school and higher secondary technical-professional education), youth and adult education; and preliminary and continuing vocational training, which focuses on creating jobs and income. In addition to being guaranteed free quality education, over 42 thousand students enrolled in the Basic Education system also receive uniforms, school supplies, meals, and medical and dental assistance. With regard to the distance learning

Management" (newspaper Valor Econômico in partnership with Aon-Hewitt); and "50 Best Psychologically Healthy Companies" (publisher Editora Gestão e RH);

system (EaD), it is estimated that more than 590 thousand students were benefitted from it, through its e-learning portal *Escola Virtual* (Virtual School). These students concluded, at least, one of the various courses offered in its schedule, and another 22,990 students will benefit from projects and initiatives carried out in partnership with Centers for Digital Inclusion (CDIs), the *Educa+Ação*, and from Technology courses (*Educar e Aprender* – Educating and Learning).

(1) According to the non-recurring events described on page 8 of this Economic and Financial Analysis Report; (2) Excludes mark-to-market effect of Available-for-Sale Securities recorded under Shareholders' Equity; (3) Number of shares (excluding treasury shares) multiplied by the closing price for common and preferred shares on the last trading day of the period; (4) Includes sureties and guarantees, letters of credit, advances of credit card receivables, co-obligations in loan assignments (receivables-backed investment funds and mortgage-backed receivables), co-obligations in rural loan assignments and operations bearing credit risk – commercial portfolio, which includes debentures and promissory notes; and (5) In the last 12 months.

Press Release

Main Information

	4Q15	3Q15	2Q15	1Q15	4Q14	3Q14
Income Statement for the Period - R\$ million						
Book Net Income	4,353	4,120	4,473	4,244	3,993	3,993
Adjusted Net Income	4,562	4,533	4,504	4,274	4,132	4,132
Total Net Interest Income	14,512	13,735	13,541	13,599	12,986	12,986
Gross Credit Intermediation Margin	11,313	10,806	10,427	10,242	10,061	10,061
Net Credit Intermediation Margin	7,121	6,954	6,877	6,662	6,754	6,754
Provision for Loan Losses (ALL) Expenses	(4,192)	(3,852)	(3,550)	(3,580)	(3,307)	(3,307)
Fee and Commission Income	6,597	6,380	6,118	5,744	5,839	5,839
Administrative and Personnel Expenses	(8,413)	(7,997)	(7,544)	(7,084)	(7,835)	(7,835)
Insurance Written Premiums, Pension Plan Contributions and Capitalization Bond Income	19,130	15,125	16,723	13,634	17,806	17,806
Statement of Financial Position - R\$ million						
Total Assets ⁽¹⁾	1,079,755	1,050,983	1,029,762	1,034,815	1,032,040	988,000
Securities	407,584	364,472	356,115	344,430	346,358	346,358
Loan Operations ⁽²⁾	474,027	474,488	463,406	463,305	455,127	444,000
- Individuals	147,749	145,234	143,461	142,051	141,432	133,000
- Corporate	326,278	329,253	319,945	321,254	313,695	300,000
Allowance for Loan Losses (ALL) ⁽³⁾	(29,499)	(28,670)	(23,801)	(23,618)	(23,146)	(23,146)
Total Deposits	195,760	203,637	195,926	211,702	211,612	211,612
Technical Reserves	177,835	168,629	164,566	157,295	153,267	144,000
Shareholders' Equity	88,907	86,233	86,972	83,937	81,508	77,000
Assets under Management	1,510,396	1,452,528	1,443,989	1,431,090	1,426,099	1,380,000
Performance Indicators (%) on Adjusted Net Income (unless otherwise stated)						
Adjusted Net Income per Share - R\$ ^{(4) (5)}	3.55	3.47	3.35	3.21	3.05	3.05
Book Value per Common and Preferred Share - R\$ ⁽⁵⁾	17.68	17.14	17.28	16.67	16.19	16.19
Annualized Return on Average Equity ^{(6) (7)}	20.5	21.2	21.9	22.3	20.1	20.1
Annualized Return on Common Equity to 11% - BIS III ⁽⁴⁾	27.4	26.9	26.3	25.3	24.2	24.2
Annualized Return on Average Assets ⁽⁷⁾	1.7	1.7	1.7	1.7	1.6	1.6
Average Rates - 12 months = (Adjusted Net Interest Income / Total Average Assets - Repos - Permanent Assets) (NIM)	7.5	7.6	7.6	7.5	7.3	7.3
Fixed Asset Ratio ⁽¹³⁾	35.2	38.6	39.6	47.9	47.2	47.2
Combined Ratio - Insurance ⁽⁸⁾	86.5	86.9	86.5	86.8	85.9	85.9
Efficiency Ratio (ER) ⁽⁴⁾	37.5	37.9	37.9	38.3	39.2	39.2
Coverage Ratio (Fee and Commission Income/Administrative and Personnel Expenses) ⁽⁴⁾	80.0	79.1	78.7	77.4	76.7	76.7
Market Capitalization - R\$ million ⁽⁹⁾	100,044	113,288	142,098	150,532	145,536	145,536
Loan Portfolio Quality % ⁽¹⁰⁾						
ALL / Loan Portfolio ⁽³⁾	8.0	7.8	6.7	6.7	6.7	6.7
Non-performing Loans (> 60 days ⁽¹¹⁾ / Loan Portfolio)	5.0	4.7	4.6	4.5	4.3	4.3
Delinquency Ratio (> 90 days ⁽¹¹⁾ / Loan Portfolio)	4.1	3.8	3.7	3.6	3.5	3.5
Coverage Ratio (> 90 days ⁽¹¹⁾) ⁽³⁾	198.0	205.7	180.4	187.0	189.0	189.0

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Coverage Ratio (> 60 days ⁽¹¹⁾ ⁽³⁾)	161.7	168.4	146.5	149.8	156.6
Operating Limits %					
Basel Ratio - Total ⁽¹²⁾ ⁽¹³⁾	16.8	14.5	16.0	15.2	16.5
Tier I Capital	12.7	11.4	12.8	12.1	12.9
- Common Equity	12.7	11.4	12.8	12.1	12.9
Tier II Capital	4.1	3.0	3.2	3.1	3.6

6 Economic and Financial Analysis Report December 2015

Press Release

Main Information

	Dec15	Sept15	Jun15	Mar15	Dec14	Sept14	Jun14	Mar14	Variation Dec15 Dec x Sept15 Dec
Structural Information - Units									
Service Points ⁽¹⁴⁾	65,851	71,738	74,270	74,917	75,176	74,028	73,208	73,320	(8.2)
- Branches	4,507	4,593	4,628	4,661	4,659	4,659	4,680	4,678	(1.9)
- PAs ⁽¹⁵⁾	3,511	3,496	3,463	3,502	3,486	3,497	3,497	3,484	0.4
- PAEs ⁽¹⁵⁾	736	845	980	1,135	1,145	1,159	1,175	1,186	(12.9)
- External ATM Network - Bradesco ⁽¹⁶⁾ ⁽¹⁷⁾	627	874	1,112	1,243	1,344	1,398	1,684	2,701	(28.3)
- Banco24Horas Network ⁽¹⁶⁾	11,721	11,917	12,127	12,268	12,450	12,213	12,023	11,873	(1.6)
- Bradesco Expresso (Correspondent Banks)	43,560	48,175	50,042	50,043	50,006	49,020	48,186	47,430	(9.6)
- Bradesco Promotora de Vendas	1,175	1,824	1,904	2,051	2,073	2,068	1,949	1,955	(35.6)
- Branches / Subsidiaries Abroad	14	14	14	14	13	14	14	13	-
ATMs	50,467	50,113	49,410	48,941	48,682	48,053	47,612	48,295	0.7
- Bradesco Network	31,527	31,495	31,132	31,091	31,089	31,107	31,509	32,909	0.1
- Banco24Horas Network	18,940	18,618	18,278	17,850	17,593	16,946	16,103	15,386	1.7
Employees ⁽¹⁸⁾	92,861	93,696	93,902	94,976	95,520	98,849	99,027	99,545	(0.9)
Outsourced Employees and Interns	13,223	13,333	13,111	12,977	12,916	12,896	12,790	12,671	(0.8)
Customers - in millions									
Active Account Holders ⁽¹⁹⁾ ⁽²⁰⁾	26.0	26.4	26.5	26.6	26.5	26.6	26.5	26.6	(1.5)
Savings Accounts ⁽²¹⁾	60.1	57.0	57.6	58.1	59.1	52.9	51.8	49.0	5.4
Insurance Group	49.8	48.2	47.8	47.8	46.9	46.3	45.5	45.3	3.3
- Policyholders	44.2	42.5	42.0	42.0	41.1	40.5	39.6	39.4	4.0
- Pension Plan Participants	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.4	-
- Capitalization Bond Customers	3.2	3.3	3.4	3.4	3.4	3.4	3.5	3.5	(3.0)
Bradesco Financiamentos ⁽¹⁹⁾	2.8	2.8	2.9	3.0	3.1	3.1	3.2	3.2	-

(1) For more information, please check note 4 – Statement of Financial Position and Statement of Managerial Income, in chapter 6 of this report;

(2) Expanded Loan Portfolio: includes sureties and guarantees, letters of credit, advances of credit card receivables, co-obligations in loan assignments (receivables-backed investment funds and mortgage-backed receivables), co-obligations in rural loan assignments and operations bearing credit risk – commercial portfolio, covering debentures and promissory notes;

(3) Includes provision for guarantees provided, encompassing sureties, guarantees, letters of credit, and standby letter of credit, which comprises the concept of “excess” ALL. In the third quarter of 2015, includes an ALL Surplus/Worsening of Ratings, considered as an extraordinary event, totaling R\$3,704 million; This way, the balance of the ALL - Surplus provision went from R\$4,004 million in June 2015 to R\$6,409 million

in September 2015;

- (4) In the last 12 months;
- (5) For comparison purposes, shares were adjusted in accordance with bonuses and stock splits;
- (6) Excluding mark-to-market effect of Available-for-Sale Securities recorded under Shareholders' Equity;
- (7) Year-to-Date Adjusted Net Income;
- (8) Excludes additional reserves;
- (9) Number of shares (excluding treasury shares) multiplied by the closing price for common and preferred shares on the period's last trading day;
- (10) As defined by the Brazilian Central Bank (Bacen);
- (11) Overdue loans;
- (12) Since October 2013, the Basel Ratio calculation has followed regulatory guidelines set forth in CMN Resolutions No. 4,192/13 and No. 4,193/13 (Basel III);
- (13) As of March 2015, the ratio calculated based on the Prudential Consolidated is included, as set forth in CMN Resolution No. 4,192/13. It is important to note that the Prudential Consolidated is calculated in accordance with the regulatory guidelines set forth in CMN Resolution No. 4,280/13;
- (14) The decrease as of March 2015 is related to (i) the migration of "External ATM Network– Bradesco" to "Banco24Horas Network"; (ii) the deactivation of ATMs from "Banco24Horas Network"; and (iii) the reduction of Bradesco Expresso correspondents;
- (15) PA (Service Branch): a result of the consolidation of PAB (Banking Service Branch), PAA (Advanced Service Branch) and Exchange Branches, according to CMN Resolution No. 4,072/12; and PAEs – ATMs located on a company's premises;
- (16) Including overlapping ATMs within the Bank's own network and the Banco24Horas Network;
- (17) This decrease is related to the sharing of external network ATMs by the Banco24Horas Network ATMs;
- (18) The decrease in the fourth quarter of 2014 includes, primarily, the transfer of 2,431 employees from Scopus Tecnologia to IBM Brasil;
- (19) Number of individual customers (National Registry of Legal Entities (CNPJ) and Individual Taxpayer Registry (CPF));
- (20) Refers to first and second checking account holders; and
- (21) Number of accounts.

Press Release

Ratings

Main Ratings

Fitch Ratings

Viability	Support	International Scale				Domestic Scale	
		Domestic Currency		Foreign Currency		Domestic	
		Long Term	Short Term	Long Term	Short Term	Long Term	Short Term
bbb-	3	BBB-	F3	BBB-	F3	AAA(bra)	F1+(bra)

Moody's Investors Service

International Scale				Domestic Scale	
Domestic Currency Deposit		Foreign Currency Deposit		Domestic Currency	
Long Term	Short Term	Long Term	Short Term	Long Term	Short Term
Baa3	P-3	Baa3	P-3	Aaa.br	BR-1

Standard & Poor's

International Scale - Issuer's Credit Rating				Domestic Scale		Austin Rating		
Foreign Currency		Domestic Currency		Issuer's Credit Rating		Corporate Governance	Domestic Scale	
Long Term	Short Term	Long Term	Short Term	Long Term	Short Term		Long Term	Short Term
BB+	B	BB+	B	brAA+	brA-1	AA+	brAAA	brA-1

Book Net Income vs. Adjusted Net Income

The main non-recurring events that affected Book Net Income in the periods below are presented in the following comparative chart:

	12M15	12M14	4Q15	R\$ million 3Q15
Book Net Income	17,190	15,089	4,353	4,120
Non-recurring events (net of tax effects)	683	270	209	413
- Tax liability	(2,341)	-	-	(2,341)
- Reversal of technical reserves	(276)	(432)	(276)	-
- ALL Surplus/Worsening of Ratings	2,222	-	-	2,222
- Contingent Liabilities	606	(98)	13	532
- Impairment of assets ⁽¹⁾	472	800	472	-

Adjusted Net Income	17,873	15,359	4,562	4,533
ROAE % ⁽²⁾	19.7	19.8	20.5	20.0
ROAE (ADJUSTED) % ⁽²⁾	20.5	20.1	21.6	22.1

(1) In 2015 and in 4Q15, it refers to the impairment of: (i) Shares, in the amount of R\$238 million (R\$749 million in 2014); and (ii) Permanent/Intangible Assets, in the amount of R\$234 million (R\$51 million in 2014); and

(2) Annualized.

Press Release

Summarized Analysis of Adjusted Income

To provide for better understanding and comparison of Bradesco results, we use in the comments of chapters 1 and 2 of this report the Adjusted Income Statement, obtained from adjustments made to the Managerial Income Statement, detailed at the end of this Press Release.

	R\$ million								
	Adjusted Income Statement							Variation	
	12M15	12M14	Variation 12M15 x 12M14		4Q15	3Q15	Variation 4Q15 x 3Q15		
			Amount	%			Amount	%	
Net Interest Income	55,387	48,295	7,092	14.7	14,512	13,735	777	5.7	
- Interest Earning Portion	54,777	47,497	7,280	15.3	14,380	13,709	671	4.9	
- Non-Interest Earning Portion	610	798	(188)	(23.6)	132	26	106	407.7	
ALL	(15,174)	(12,657)	(2,517)	19.9	(4,192)	(3,852)	(340)	8.8	
Gross Income from Financial Intermediation	40,213	35,638	4,575	12.8	10,320	9,883	437	4.4	
Income from Insurance Premiums, Pension Plans and Capitalization bonds, minus Variation of Technical Reserves, Retained Claims and others ⁽¹⁾	5,426	5,047	379	7.5	1,493	1,411	82	5.8	
Fee and Commission Income	24,839	22,089	2,750	12.4	6,597	6,380	217	3.4	
Personnel Expenses	(14,699)	(13,967)	(732)	5.2	(3,839)	(3,797)	(42)	1.1	
Other Administrative Expenses	(16,339)	(14,848)	(1,491)	10.0	(4,574)	(4,200)	(374)	8.9	
Tax Expenses	(5,640)	(4,627)	(1,013)	21.9	(1,650)	(1,330)	(320)	24.1	
Equity in the Earnings (Losses) of Unconsolidated Companies	144	187	(43)	(23.0)	93	38	55	144.7	
Other Operating Income/ (Expenses)	(6,708)	(5,395)	(1,313)	24.3	(1,586)	(1,604)	18	(1.1)	
Operating Result	27,236	24,124	3,112	12.9	6,854	6,781	73	1.1	
Non-Operating Result	(283)	(183)	(100)	54.6	(68)	(92)	24	(26.1)	
Income Tax / Social Contribution	(8,933)	(8,469)	(464)	5.5	(2,183)	(2,124)	(59)	2.8	
Non-controlling Interest	(147)	(113)	(34)	30.1	(41)	(32)	(9)	28.1	
Adjusted Net Income	17,873	15,359	2,514	16.4	4,562	4,533	29	0.6	

(1) In "Others", it includes: Capitalization Bond Draws and Redemption – Insurance and Pension Plan and Capitalization Bond Sales Expenses.

Press Release

Summarized Analysis of Adjusted Income

Adjusted Net Income and Profitability

The return on the Average Adjusted Shareholder's Equity (ROAE) stood at 20.5% in December 2015. Such performance stems from the growth of adjusted net income, which increased by 0.6% quarter-over-quarter and 16.4%, in the year-over-year comparison. The main events that affected adjusted net income are detailed below.

Total Assets registered R\$1.080 trillion in December 2015, a 4.6% increase over December 2014, driven by the increased turnover. Return on Average Assets (ROAA) reached 1.7%.

Adjusted net income reached R\$4,562 million in the fourth quarter of 2015, up R\$29 million or 0.6% compared to the previous quarter, mainly due to (i) the increment of the "interest" and "non-interest" earning portion; (ii) higher fee and commission income, result of the enhanced segmentation of clients and of investment in technology to enable new strategies of customer service; (iii) the highest operating result of Insurance, Pension Plans and Capitalization Bonds, net of technical reserves, retained claims and others; and impacted, partly, by higher: (iv) administrative expenses; (v) cost of the provision for doubtful accounts; and (vi) tax expenses.

In the financial year of 2015, the adjusted net income reached R\$17,873 million, increase of R\$2,514 million, or 16.4%, compared to the previous year, which reflects the highest revenues due to: (i) the interest earning portion, partially due to the effect the margin of intermediation and of the assets and liabilities management (ALM); and (ii) fees and commissions; being partially offset by: (iii) higher allowance for loan losses expenses; (iv) higher personnel and administrative expenses, whose variation was below the index of inflation (IPCA) in the period; (v) increased operating expenses, net; and (vi) higher tax expenses.

Shareholders' Equity totaled R\$88,907 million in December 2015, up 9.1% over December 2014. Basel III Ratio, calculated based on the Prudential Consolidated, stood at 16.8%, 12.7% of which was classified as Common Equity / Tier I.

10 Economic and Financial Analysis Report December 2015

Summarized Analysis of Adjusted Income

Operating Efficiency Ratio (ER)

The 12-month accumulated ER⁽¹⁾ reached 37.5% in the fourth quarter of 2015, once again registering the best historical level, showing improvement of 0.4 p.p. in comparison to the previous quarter, and 1.7 p.p. in comparison to the same period of the previous year, whereby the main variations were due to: (i) the increase in the net interest income and fee and commission income; and (ii) the operational expenses performance, which have evolved below the inflation in the year. These factors also contributed to the improvement of the ER in the "risk adjusted" concept, reflecting the impact of the risk associated with loan operations⁽²⁾, reached 46.5%.

It is important to mention that the ER performance reflects the strategy of sustainable growth, which includes, among others, the availability of appropriate products and services for clients through the segmentation of the base, the optimization of points of service, and the strict control of operating expenses, arising from the actions of the Efficiency Committee and of investments in Information Technology.

The quarterly ER, the indicator remained stable

(1) $ER = (\text{Personnel Expenses} - \text{Employee Profit Sharing} + \text{Administrative Expenses}) / (\text{Net Interest Income} + \text{Fee and Commission Income} + \text{Income from Insurance} + \text{Equity in the Earnings (Losses) of Unconsolidated Companies} + \text{Other Operating Income} - \text{Other Operating Expenses})$. If we considered the ratio between (i) total administrative costs (Personnel Expenses + Administrative Expenses + Other Operating Expenses + Tax Expenses not related to income generation + Insurance Sales Expenses); and (ii) net income generation of related taxes (not considering Insurance Claims and Sales Expenses), our ER accumulated in the last 12 months in the fourth quarter of 2015 would be 42.0%; and

(2) Including ALL expenses, adjusted for discounts granted, loan recovery and sale of foreclosed assets, among others.

Press Release

Summarized Analysis of Adjusted Income

NII (Net Interest Income)

In the quarterly comparison, the R\$777 million, or 5.7%, increase was, mainly, due to: (i) by the higher result obtained with the "interest" earning portion, to the value of R\$671 million, with emphasis on "Credit Intermediation", a result of an improved management in investment resources and funding operations; and (ii) non-interest earning portion, in the amount of R\$106 million.

In the year-over-year comparison, the net interest income increased by R\$7,092 million, or 14.7%, mainly due to: (i) a higher interest earning portion income, in the amount of R\$7,280 million, particularly in "Credit Intermediation" and "Securities/Other" and offset by: (ii) lower result obtained with non-interest earning portion, in the amount of R\$188 million.

NII - Interest Earning Portion – Average Rates in the last 12 months

	R\$ million					
	12M15			12M14		
	Interest	Average Balance	Average Rate	Interest	Average Balance	Average Rate
Credit Intermediation	42,788	366,001	11.7%	38,366	341,470	11.2%
Insurance	5,558	164,894	3.4%	4,303	143,307	3.0%
Securities/Other	6,431	395,896	1.6%	4,828	342,564	1.4%
Interest Earning Portion	54,777	-	7.5%	47,497	-	7.1%
	4Q15			3Q15		
	Interest	Average Balance	Average Rate	Interest	Average Balance	Average Rate
Credit Intermediation	11,313	370,405	11.7%	10,806	369,422	11.5%
Insurance	1,523	174,030	3.4%	1,349	167,661	3.3%
Securities/Other	1,544	395,578	1.6%	1,554	419,074	1.6%
Interest Earning Portion	14,380	-	7.5%	13,709	-	7.5%

The interest earning portion rate in the last 12 months remained 7.5% in the fourth quarter of 2015. In the year-over-year comparison, the growth of 0.4 p.p. was the reflection of increased profits obtained in the interest earning portions of "Credit Intermediation", "Insurance" and "TVM/Other".

Summarized Analysis of Adjusted Income

Expanded Loan Portfolio⁽¹⁾

In December 2015, the expanded loan portfolio of Bradesco totaled R\$474.0 billion, maintaining stable in comparison to the previous quarter. Micro, Small and Medium Sized Enterprises and Corporations presented a reduction of 1.2% and 0.8%, respectively, while the Individual, in turn, registered an expansion of 1.7% in the period.

In the last 12 months, the portfolio increased by 4.2% primarily represented by: (i) 9.5% in Corporations; and (ii) 4.5% in Individuals, and partially offset by: (iii) a decrease of 5.3% of the SMEs segment.

For Individuals, the products that have the strongest growth in the last 12 months were: (i) real estate financing; and (ii) payroll-deductible loans especially for the public sector and INSS beneficiaries. While for the Corporate segment, the highlights were: (i) export financing; and (ii) operations abroad, influenced by the exchange rate variation in the period.

(1) In addition to Bacen loan portfolio, it includes sureties, guarantees, letters of credit, advances of credit card receivables, debentures, promissory notes, co-obligation in mortgage-backed receivables, and farm loans.

For more information, see Chapter 2 of this Report.

Allowance for Loan Losses (ALL)⁽¹⁾

In the fourth quarter of 2015, allowance for loan losses totaled R\$4,192 million, registering an increase of 8.8% over the previous quarter due to the delinquency rate in the period, mainly resulting from the deceleration of economic activity. It is important to note that loan operations, as defined by Bacen, remained stable in the quarter.

The worsening of delinquency rates was mitigated by the reinforcement of the loan assignment and monitoring policy and processes, quality of guarantees, as well as the improvement of the credit recovery processes.

In the year-over-year comparison, these expenses presented a variation of 19.9%, impacted, mainly by:

(i) the effect of the alignment of the allowance level of certain operations with corporate clients; (ii) the higher delinquency rate in the period; and (iii) the increase in credit operations - Bacen concept, which presented an evolution of 5.9% in the last 12 months.

(1) Includes provision for guarantees provided, encompassing sureties, guarantees, letters of credit, and standby letter of credit, which comprises the concept of "excess" ALL. In the third quarter of 2015, includes an ALL Surplus/Worsening of Ratings, considered as an extraordinary event, totaling R\$3,704 million. This way, the balance of the ALL - Surplus provision went from R\$4,004 million in June 2015 to R\$6,409 million in September 2015

For more information, see Chapter 2 of this Report..

Press Release

Summarized Analysis of Adjusted Income

Delinquency Ratio⁽¹⁾

The total delinquency ratio, which refers to operations that are over 90 days past due, increased mainly due to the loan portfolio lower

pace of growth and the downturn in the economy. It is worth to mention the retraction of the delinquency ratio of the Corporations segment in the period, that partially offset, the effects of higher delinquency rate for the Individual and Micro, Small and Medium Sized Enterprises.

In the quarter, short-term delinquency, including operations past due between 15 and 90 days remained stable.

The increase in the Corporate segment was offset by the decrease in the Individuals segment.

Press Release

Summarized Analysis of Adjusted Income

Coverage Ratios

The following graph presents the performance of the Allowance for Loan Losses (ALL) coverage ratios, with regard to loans past due for more than 60 and 90 days. In December 2015, these ratios stood at comfortable levels, reaching 161.7% and 198.0%, respectively.

Bradesco monitors the loan portfolio, as well as respective risks, by internally applying the expanded portfolio concept.

In addition to the allowance for loan losses (ALL) required by Bacen, Bradesco has excess of R\$6.4 billion, to support potential stress scenarios, as well as other operations/commitments bearing credit risks.

(*) Includes provision for guarantees provided, encompassing sureties, guarantees, letters of credit, and standby letter of credit, which comprises the concept of "excess" ALL. In September 2015, it includes the ALL Surplus/ Worsening of Ratings, considered as an extraordinary event, totaling R\$3,704 million. This way, the balance of the ALL - Surplus provision went from R\$4,004 million in June 2015 to R\$6,409 million in September 2015.

Press Release

Summarized Analysis of Adjusted Income

Income from Insurance, Pension Plans and Capitalization Bonds

Net Income for the fourth quarter of 2015 totaled R\$1.405 billion, with a growth of 13.7% in relation to the same period of the previous year (R\$1.236 billion), and of 6.7% in relation to the third quarter of 2015 (R\$1.317 billion), presenting annualized return on Adjusted Shareholder's Equity of 28.3%.

In the financial year of 2015, the Net Income totaled R\$5.289 billion, which exceeds by 20.0% the Net Income in the same period of the previous year (R\$4.406 billion), presenting a return on the Adjusted Shareholder's Equity of 24.2%.

	4Q15	3Q15	2Q15	1Q15	4Q14	3Q14	2Q14
Net Income	1,405	1,317	1,284	1,283	1,236	1,058	1,000
Insurance Written Premiums, Pension Plan Contributions and Capitalization Bond Income	19,130	15,125	16,723	13,634	17,806	12,904	13,900
Technical Reserves	177,835	168,629	164,566	157,295	153,267	145,969	142,700
Financial Assets	191,921	182,391	179,129	170,395	166,022	158,207	154,200
Claims Ratio (%)	71.9	73.1	71.4	71.7	70.9	72.7	71.0
Combined Ratio (%)	86.5	86.9	86.5	86.8	85.9	86.5	86.0
Policyholders / Participants and Customers (in thousands)	49,806	48,185	47,758	47,789	46,956	46,303	45,400
Employees	7,023	7,052	7,074	7,082	7,113	7,135	7,100
Market Share of Insurance Written Premiums, Pension Plan Contributions and Capitalization Bond Income (%) ⁽¹⁾	25.0	24.7	24.8	23.5	24.4	23.3	22.0

(1) The fourth quarter of 2015 includes the latest data released by SUSEP (November 2015).

Note: For comparability between the indexes in the periods demonstrated above, we disregarded extraordinary effects from the calculation.

Summarized Analysis of Adjusted Income

In the fourth quarter of 2015, the revenue showed an increase of 26.5% in comparison to the previous quarter, particularly "Life and Pension" products, that were fueled by the highest concentration of private pension contributions in the period.

In the comparative study between the fourth quarter of 2015 and the same period of the previous year, there was an increase of 7.4% in Insurance Written Premiums, Pension Plan Contributions and Capitalization Bond Revenue.

In the financial year of 2015, the production registered an increase of 15.1% over the same period in the previous year, influenced by "Health Plans" and "Life and Pension Plans" products, which increased 20.1% and 18.1%, respectively.

The net income of the fourth quarter of 2015 was 13.7% higher than the results presented in the same period last year, basically due to: (i) the growth of 7.4% in the turnover; (ii) the improvement in the financial and equity results; partially offset by: (iii) the increase of the Social Contribution (CSLL) rate, from 15% to 20%, as of September 2015, proportionally influencing the fourth quarter of 2015 results; (iv) by the increase of 1.0 p.p. in the claims ratio.

The net income for 2015 was 20.0% higher compared to the same period in the previous year, due to: (i) an increase in revenue; (ii) the improvement of the financial and equity results; (iii) the improvement of the administrative efficiency index; compensated, partly: (iv) by the increase of 1.0 p.p. in the claims ratio; and (v) by the increase of the Social Contribution (CSLL) rate.

The net income of the fourth quarter of 2015 was 6.7% higher than in the previous quarter, basically, due to: (i) an increase in revenue; (ii) reduction of 1.2 p.p. in the claims ratio; (iii) improvement in the administrative efficiency ratio; (iv) improvement in the financial and equity results; and (v) the increase of the Social Contribution (CSLL) rate.

Minimum Capital Required – Grupo Bradesco Seguros

According to CNSP Resolution No.321/15, corporations should have adjusted shareholder's equity (ASE) equal to or higher than the minimum capital required (MCR). MCR is equivalent to the highest value between the base capital and the risk capital. For companies regulated by the ANS, Normative Resolution No.373/15 establishes that corporations should have adjusted shareholder's equity (ASE) equal to or higher than the Solvency Margin.

The capital adjustment and management process is continuously monitored and aims to ensure that

base to support the development of activities and cope with the risks in any market situation, in compliance with regulatory requirements and/or Corporate Governance principles. Companies must permanently maintain a capital compatible with the risks for their activities and operations, according to the characteristics and peculiarities of each company belonging to Grupo Bradesco Seguros, represented by adequate capital levels. Grupo Bradesco Seguros permanently observes the limits required by the respective regulatory entities. The Minimum Capital Required in November 2015 was R\$8,200 billion.

Grupo Bradesco Seguros keeps a solid capital

Press Release

Summarized Analysis of Adjusted Income

Fee and Commission Income

In the year-over-year comparison, the increase of R\$2,750 million, or 12.4%, was mainly due to: (i) an increase of volume of operations, which are arising from the continuous investments in service channels and in technology; and (ii) advance of the process of segmentation of clients for a better offer of products and services. It must be noted that the lines that have most contributed to this result derived from: (i) the good performance of the cards activity, as a result of (a) the increase in the financial volume traded; and (b) the highest volume of transactions performed; (ii) an increase in the checking account income, mainly due to an improvement in the customer segmentation process; and evolution of revenue with: (iii) loan operations, especially income from collaterals; (iv) asset management; and (v) consortium management.

In the fourth quarter of 2015, fee and commission income totaled R\$6,597 million, showing increase of R\$217 million, or 3.4%, in comparison to the previous quarter, primarily due to the increase in the volume of business, with emphasis on the performance of revenues of: (i) cards; (ii) checking accounts; and (iii) underwriting.

Personnel Expenses

In the year-over-year comparison, the increase of R\$732 million, or 5.2%, is mainly due to the structural portion due to the increase in expenses with payroll, social charges and benefits, impacted by higher salaries, in accordance with the 2014 and 2015 collective agreements.

In the fourth quarter of 2015, the increase of R\$42 million, or 1.1%, compared to the previous quarter is mainly composed by the structural portion due to: (i) lower number of employees on vacation in the previous quarter; and (ii) increased wage levels, according to collective agreement.

Note: Structural Expenses = Salaries + Social Charges + Benefits + Pension Plans.

Non-Structural Expenses = Employee and Management Profit Sharing + Training + Labor Provision + Costs with termination of employment contracts.

Summarized Analysis of Adjusted Income

Administrative Expenses

In the year-over-year comparison the 10.0%, or R\$1,491 million increase was primarily due to an increase of expenses originated: (i) by the growth in turnover and services in the period; (ii) by contractual adjustments; and (iii) by the dollar performance over the past 12 months since it reached 47.0% of recovery against the Brazilian real. It is important to stress that, the continuous control of operating expenses resulting from actions of the Efficiency Committee, whose efficiency initiatives resulted in a rebalance among personnel and administrative expenses.

(b) data processing; and (c) financial system services; and higher expenses with: (iii) depreciation and amortization; and (iv) rental.

In the fourth quarter of 2015, the increase of 8.9%, or R\$374 million, in the administrative expenses over the previous quarter, was mainly due to: (i) to the seasonal effect of higher expenses with advertising and marketing, due to the higher concentration of actions related to the Institutional Campaign and to support the offer of products and services; (ii) the growth in turnover and services occurred in the period, consequently, impacting in higher expenses with: (a) outsourced services;

(1) The decrease as of March 2015 is related to: (i) the migration of “External ATM Network – Bradesco” to “Banco24Horas Network”; (ii) the deactivation of ATMs from “Banco24Horas Network”; a (iii) the decrease of Bradesco Expresso correspondents.

Other Operating Income and Expenses

In the financial year of 2015, other operating expenses, net, totaled R\$6,708 million, a R\$1,313 million increase over the financial year of 2014, primarily due to: (i) the constitution of tax provisions, in the first semester of 2015, relating to the levy of pension plan contributions and IRPJ/CSLL on credit losses, in the amount of R\$570 million; (ii) higher expenses related to: (a) the constitution of civil provisions; and (b) various losses; (iii) the impact of the creation of a services joint venture (Cateno) in Cielo; and (iv) the amortization of goodwill.

In the fourth quarter of 2015, other net operating expenses totaled R\$1,586 million, remaining stable over the previous quarter.

Press Release

Summarized Analysis of Adjusted Income

Income Tax and Social Contribution

Income tax and social contribution expenses, in the quarterly comparison showed an increase of 2.8%, or R\$59 million, reflecting, in part: (i) the increase of the CSLL (social contribution) rate; and was partially offset by: (ii) the increase of the TJLP (from 6.5% in the third quarter of 2015 to 7.0% in the fourth quarter of 2015), which provided a greater constitution of interest on own capital, in the fourth quarter of 2015.

In the year-over-year comparison, the increase of 5.5%, or R\$464 million, is related: (i) to the greater taxable income in the period; (ii) the increase of the CSLL (social contribution) rate; partially offset by the: (iii) increase of the TJLP (from an average rate of 5.0% in 2014 to an average rate of 6.3% in 2015), which provided a greater constitution of interest on own capital, comparing the financial year of 2015 to the financial year of 2014.

Unrealized Gains

Unrealized gains totaled R\$7,100 million at the end of the fourth quarter of 2015, a R\$3,018 million decrease over the end of the previous quarter. Such variation was mainly due to: (i) the devaluation of the investments, mainly impacted, by Cielo shares which devalued 8.4%; and (ii) by the increase of unrealized loss in loans and leasing operations, impacted by the interest rate increase.

Capital Ratios - Basel III

Basel Ratio

In December 2015, the Capital stood at R\$102,825 million, against risk-weighted assets totaling R\$612,217 million. The total Basel Ratio presented an increase of 2.3 p.p., from 14.5% in September 2015 to 16.8% in December 2015, and the Common Equity from 11.4% in September 2015 to 12.7% in December 2015.

Additionally, it is important to stress that in the fourth quarter of 2015, the Central Bank authorized the use of Subordinated Letters of Credit to compose Tier II, whose restated amount reached R\$5,805 million on December 31, 2015.

In the table below are the main events that impacted the Tier I Capital / Principal Capital Index in the quarter:

Full Impact – Basel III

We included a Basel III simulation, considering some of the main future adjustments, which include: (i) the application of 100% of the deductions provided in the implementation schedule; (ii) the allocation of resources, obtained via payment of dividends, of our Insurance Group; (iii) the use of tax credits; and (iv) the impact of the acquisition of HSBC, for a rate of 10.3% of Common Equity, which, added to funding obtained via subordinated debt, may amount to an approximate Tier I Basel Ratio of 11.8%, in the end of 2018.

Capital Management Buffer / Return on Tier I Capital

Bradesco has improved its measurement and governance methodology, and has structured processes for buffer capital, so that it can maintain adequate capital levels to cope with the risks incurred.

The Organization considers it feasible, in the medium and long term, to maintain a margin of Level of Tier I Capital of at least 25%, in relation to the minimum capital buffer, observing the schedule established by the Central Bank, for the full adoption of the Basel III guidelines. Considering the 11% minimum required to Common Equity according to

the full interpretation of Basel III rules, profitability would be 27.4% in the period of 12 months ended in December 2015.

Press Release

Economic Scenario

The confirmation of the initial monetary standardization in the United States reduced the uncertainties in the world scenario in the fourth quarter of 2015. The persistent strengthening of the North American labor market led the Federal Reserve (Fed) to increase the interest rate in its last meeting of the year – decision that was already being widely signaled. At the same time, the stabilization of the Chinese stock and exchange markets favored the perception of risk in the international markets.

Even so, the deceleration of the Chinese economy was not interrupted, which contributed to maintain the international prices of commodities at a lower level. Additionally, this country has adopted new stimuli to the economy in the period, in an attempt to contain the weakening of the economic activity. Finally, the European Central Bank, also with the aim of stimulating the growth of the region and combat the deflationary risks, extended its program for the purchase of sovereign bonds.

The domestic economy maintained a trajectory of deceleration in the fourth quarter, albeit at a slower speed to the one recorded in previous periods. Highlight for the further weakening of the labor market and the continued drop in confidence of the economic agents. On the other hand, the adjustments in the external accounts continued and the rebalance of administered prices in relation to the free ones and of domestic against the external prices did as well.

This behavior of activity, in turn, impacted negatively the collection of the public sector and the fiscal results, leading the government to continually review its goals of primary balance for 2015 and 2016. Thus, actions to ensure fiscal sustainability in the medium term and the progress on the reform agenda become even more relevant. Efforts in this direction are a necessary condition to maintain the economic predictability and to increase the level of trust of families and entrepreneurs, enabling the

Additional actions of a structural nature that leverage the future growth are also fundamental. The constant search for excellence in education is Brazil's front line in its struggle to become more competitive and to expedite its efforts to upgrade infrastructure. It is never too much to remember that, in the long term, the main source of economic growth is productivity, a theme that is even more relevant in a global context characterized by increased competition and economic growth that is still fragile.

The investments tend to have an increasingly important role in the composition of growth in coming years, especially in the process of recovery of the economic activity. This should still be favored by greater participation of the capital market in the financing of these projects. At the same time, despite the cyclical retraction of the consumer market in some segments, structurally the potential of domestic demand for goods and services is not exhausted and there is still much to be exploited.

Bradesco maintains a positive outlook towards Brazil, with favorable perspectives for its operating segments. Credit volume is growing at sustainable and risk-compatible rates, whereas delinquency rates are stabilized at historically controlled levels, in spite of a cyclic elevation due to the retraction of the activity and the reduction of the employment level this year. The scenario is still promising for Brazilian banking and insurance sectors in the medium and long term.

resumption of the trend to increase actual income and productive investments.

Main Economic Indicators

Main Indicators (%)	4Q15	3Q15	2Q15	1Q15	4Q14	3Q14	2Q14	1Q14	12
Interbank Deposit Certificate (CDI)	3.37	3.43	3.03	2.81	2.76	2.72	2.51	2.40	1
Ibovespa	(3.79)	(15.11)	3.77	2.29	(7.59)	1.78	5.46	(2.12)	(1
USD – Commercial Rate	(1.71)	28.05	(3.29)	20.77	8.37	11.28	(2.67)	(3.40)	4
General Price Index - Market (IGP-M)	3.95	1.93	2.27	2.02	1.89	(0.68)	(0.10)	2.55	1
Extended Consumer Price Index (IPCA)	2.82	1.39	2.26	3.83	1.72	0.83	1.54	2.18	1
Federal Government Long-Term Interest Rate (TJLP)	1.72	1.59	1.48	1.36	1.24	1.24	1.24	1.24	
Reference Interest Rate (TR)	0.53	0.61	0.40	0.23	0.26	0.25	0.15	0.19	
Savings Account	2.05	2.13	1.92	1.75	1.77	1.76	1.66	1.70	
Business Days (number)	63	65	61	61	65	66	61	61	
Indicators (Closing Rate)	Dec15	Sept15	Jun15	Mar15	Dec14	Sept14	Jun14	Mar14	D
USD – Commercial Selling Rate - (R\$)	3.9048	3.9729	3.1026	3.2080	2.6562	2.4510	2.2025	2.2630	3.
Euro - (R\$)	4.2504	4.4349	3.4603	3.4457	3.2270	3.0954	3.0150	3.1175	4.
Country Risk (points)	521	442	304	322	259	239	208	228	
Basic Selic Rate Copom (% p.a.)	14.25	14.25	13.75	12.75	11.75	11.00	11.00	10.75	1
BM&F Fixed Rate (% p.a.)	15.86	15.56	14.27	13.52	12.96	11.77	10.91	11.38	1

Projections up to 2018

%	2016	2017	2018
USD - Commercial Rate (year-end) - R\$	4.00	4.20	4.00
Extended Consumer Price Index (IPCA)	6.90	5.40	5.00
General Price Index - Market (IGP-M)	6.00	5.00	5.00
Selic (year-end)	13.25	12.25	11.25
Gross Domestic Product (GDP)	(3.50)	1.50	3.00

*Press Release***Guidance****Bradesco's Perspective for 2016**

This guidance contains forward-looking statements that are subject to risks and uncertainties, as they are based on Management's expectations and assumptions and information available to the market as of the date hereof.

Loan Portfolio ⁽¹⁾	1 to 5%
Individuals	4 to 8%
Companies	0 to 4%
NII - Interest Earning Portion	6 to 10%
Fee and Commission Income	7 to 11%
Operating Expenses ⁽²⁾	4.5 to 8.5%
Insurance Premiums	8 to 12%
Allowance for Loan Losses Expenses ⁽³⁾	R\$16.5 bi to R\$18.5 bi

- (1) Expanded Loan Portfolio;
- (2) Administrative and Personnel Expenses; and
- (3) Includes incomes with credit recovery.

Press Release

Managerial Income vs. Adjusted Income Statement**Analytical Breakdown of Managerial Income⁽¹⁾ vs. Adjusted Income⁽³⁾ Statement****Fourth Quarter of 2015**

	4Q15		
	Managerial Income Statement (1)	Reclassifications (2)	Non-Recurring Events St
Net Interest Income	15,771	(1,684)	425
ALL	(4,799)	607	-
Gross Income from Financial Intermediation	10,972	(1,077)	425
Income from Insurance, Pension Plans and Capitalization Bonds	2,019	-	(526)
Fee and Commission Income	6,573	24	-
Personnel Expenses	(3,839)	-	-
Other Administrative Expenses	(4,615)	41	-
Tax Expenses	(1,749)	80	19
Equity in the Earnings (Losses) of Unconsolidated			
Companies	93	-	-
Other Operating Income/Expenses	(1,796)	(24)	234
Operating Result	7,658	(956)	152
Non-Operating Result	(344)	94	182
Income Tax / Social Contribution and Non-controlling Interest	(2,961)	862	(125)
Net Income	4,353	-	209

(1) For more information, please check note 4 – Statement of Financial Position and Managerial Income Statement, in chapter 6 of this report;

(2) Includes reclassifications in items from the income statement which do not affect the Net Income, but allow a better analysis of business items, particularly hedge adjustment, which represents the partial result of derivatives used for hedge investments abroad, which in terms of Net Income, simply cancels the tax effect (IR/CS and PIS/COFINS) of this hedge strategy, in the amount of R\$955 million; and

(3) It refers to Managerial Income Statement⁽¹⁾ with the reclassifications between lines, which do not affect the Net Income, and without the extraordinary events of the period.

Press Release

Managerial Income vs. Adjusted Income Statement**Analytical Breakdown of Managerial Income⁽¹⁾ vs. Adjusted Income⁽³⁾ Statement****Third Quarter of 2015**

	Managerial Income Statement (1)	3Q15 Reclassifications (2)	Non-Recurring Events	Adjusted Income Statement (3)
Net Interest Income	5,510	8,225	-	-
ALL	(7,944)	388	3,704	3,704
Gross Income from Financial Intermediation	(2,434)	8,613	3,704	3,704
Income from Insurance, Pension Plans and Capitalization Bonds	1,411	-	-	-
Fee and Commission Income	6,362	18	-	-
Personnel Expenses	(4,064)	-	267	267
Other Administrative Expenses	(4,242)	42	-	-
Tax Expenses	(941)	(389)	-	-
Equity in the Earnings (Losses) of Unconsolidated				
Companies	38	-	-	-
Other Operating Income/Expenses	(2,950)	648	699	699
Operating Result	(6,820)	8,932	4,670	4,670
Non-Operating Result	(131)	38	-	-
Income Tax / Social Contribution and Non-controlling Interest	11,071	(8,970)	(4,257)	(4,257)
Net Income	4,120	-	413	413

(1) For more information, please check note 4 – Statement of Financial Position and Managerial Income Statement, in chapter 6 of this report;

(2) Includes reclassifications in items from the income statement which do not affect the Net Income, but allow a better analysis of business items, particularly hedge adjustment, which represents the partial result of derivatives used for hedge investments abroad, which in terms of Net Income, simply cancels the tax effect (IR/CS and PIS/COFINS) of this hedge strategy, in the amount of R\$9,216 million; and

(3) It refers to Managerial Income Statement⁽¹⁾ with the reclassifications between lines, which do not affect the Net Income, and without the extraordinary events of the period.

Press Release

Managerial Income vs. Adjusted Income Statement**Analytical Breakdown of Managerial Income⁽¹⁾ vs. Adjusted Income Statement⁽³⁾****Financial Year of 2015**

	Managerial Income Statement (1)	12M15 Reclassifications (2)	Non-Recurring Events	St
Net Interest Income	46,636	8,326	425	
ALL	(20,722)	1,844	3,704	
Gross Income from Financial Intermediation	25,914	10,170	4,129	
Income from Insurance, Pension Plans and Capitalization Bonds	5,952	-	(526)	
Fee and Commission Income	24,743	96	-	
Personnel Expenses	(14,966)	-	267	
Other Administrative Expenses	(16,506)	167	-	
Tax Expenses	(5,228)	(431)	19	
Equity in the Earnings (Losses) of Unconsolidated Companies	144	-	-	
Other Operating Income/Expenses	(9,849)	2,107	1,034	
Operating Result	10,204	12,109	4,923	
Non-Operating Result	(599)	134	182	
Income Tax / Social Contribution and Non-controlling Interest	7,585	(12,243)	(4,422)	
Net Income	17,190	-	683	

(1) For more information, please check note 4 – Statement of Financial Position and Managerial Income Statement, in chapter 6 of this report;

(2) Includes reclassifications in items from the income statement which do not affect the Net Income, but allow a better analysis of business items, particularly hedge adjustment, which represents the partial result of derivatives used for hedge investments abroad, which in terms of Net Income, simply cancels the tax effect (IR/CS and PIS/COFINS) of this hedge strategy, in the amount of R\$12,490 million; and

(3) It refers to Managerial Income Statement⁽¹⁾ with the reclassifications between lines, which do not affect the Net Income, and without the extraordinary events of the period.

Press Release

Managerial Income vs. Adjusted Income StatementAnalytical Breakdown of Managerial Income⁽¹⁾ vs. Adjusted Income Statement⁽³⁾**Financial Year of 2014**

	12M14		
	Managerial Income Statement (1)	Reclassifications (2)	Non-Recurring Events St
Net Interest Income	48,457	(1,377)	1,215
ALL	(14,451)	1,794	-
Gross Income from Financial Intermediation	34,006	417	1,215
Income from Insurance, Pension Plans and Capitalization Bonds	5,803	-	(754)
Fee and Commission Income	21,790	299	-
Personnel Expenses	(14,455)	-	488
Other Administrative Expenses	(15,015)	166	-
Tax Expenses	(4,232)	(449)	53
Equity in the Earnings (Losses) of Unconsolidated			
Companies	187	-	-
Other Operating Income/Expenses	(7,030)	2,282	(648)
Operating Result	21,054	2,715	354
Non-Operating Result	(516)	334	-
Income Tax / Social Contribution and Non-controlling Interest	(5,449)	(3,048)	(84)
Net Income	15,089	-	270

(1) For more information, please check note 4 – Statement of Financial Position and Managerial Income Statement, in chapter 6 of this report;

(2) Includes reclassifications in items from the income statement which do not affect the Net Income, but allow a better analysis of business items, particularly hedge adjustment, which represents the partial result of derivatives used for hedge investments abroad, which in terms of Net Income, simply cancels the tax effect (IR/CS and PIS/COFINS) of this hedge strategy, in the amount of R\$3,452 million; and

(3) It refers to Managerial Income Statement⁽¹⁾ with the reclassifications between lines, which do not affect the Net Income, and without the extraordinary events of the period.

Economic and Financial Analysis**Consolidated Statement of Financial Position and Adjusted Income Statement****Statement of Financial Position ⁽²⁾**

	Dec15	Sept15	Jun15	Mar15	Dec14
Assets					
Current and Long-Term Assets	1,059,768	1,031,888	1,010,599	1,015,434	1,016,931
Cash and Cash Equivalents	17,457	12,917	11,677	13,683	14,638
Interbank Investments	140,457	153,370	176,268	195,746	202,411
Securities and Derivative Financial Instruments	407,584	364,472	356,115	344,430	346,331
Interbank and Interdepartmental Accounts	55,728	54,179	50,800	48,464	52,000
Loan and Leasing Operations	333,854	336,628	326,204	324,479	318,200
Allowance for Loan Losses (ALL) ⁽¹⁾	(28,805)	(27,952)	(23,290)	(23,011)	(22,720)
Other Receivables and Assets	133,493	138,274	112,825	111,643	106,000
Permanent Assets	19,987	19,095	19,163	19,381	15,000
Investments	1,587	1,710	1,669	1,636	1,710
Premises and Leased Assets	5,772	5,000	4,940	4,952	4,800
Intangible Assets	12,628	12,385	12,554	12,793	8,490
Total	1,079,755	1,050,983	1,029,762	1,034,815	1,032,000
Liabilities					
Current and Long-Term Liabilities	988,833	962,811	940,910	949,066	949,800
Deposits	195,760	203,637	195,926	211,702	211,600
Federal Funds Purchased and Securities Sold under Agreements to Repurchase	279,726	257,847	293,730	303,740	320,100
Funds from Issuance of Securities	109,547	110,987	95,387	88,247	84,800
Interbank and Interdepartmental Accounts	6,384	5,463	4,578	4,247	5,900
Borrowing and Onlending	70,338	69,654	61,369	62,370	58,900
Derivative Financial Instruments	13,785	14,860	4,832	5,711	3,200
Reserves for Insurance, Pension Plans and Capitalization Bonds	177,835	168,629	164,566	157,295	153,200
Other Reserve Requirements	135,458	131,734	120,522	115,754	111,700
Deferred Income	529	459	399	312	200
Non-controlling Interest in Subsidiaries	1,486	1,480	1,481	1,500	300
Shareholders' Equity	88,907	86,233	86,972	83,937	81,500
Total	1,079,755	1,050,983	1,029,762	1,034,815	1,032,000

(1) Includes the Allowance for Guarantees Provided, in December 2015, Allowance for Loan Losses (ALL) totaled R\$29,499 million, which comprises the concept of "excess" ALL. In the third quarter of 2015, includes ALL Surplus/Deficit Rating, considered as an extraordinary event, totaling R\$3,704 million. Thus, the balance of the ALL – Surplus provision went from R\$4,004 million in June 2015 to R\$6,409 million in September 2015; and

(2) For more information, please check note 4 – Statement of Financial Position and Managerial Statement, in the chapter 6 of this report.

- Economic and Financial Analysis Report – December 2015

Economic and Financial Analysis

Consolidated Statement of Financial Position and Adjusted Income Statement

Adjusted Income Statement

	4Q15	3Q15	2Q15	1Q15	4Q14	3Q14	2Q14
Net Interest Income	14,512	13,735	13,541	13,599	12,986	12,281	12,066
- Interest Earning Portion	14,380	13,709	13,415	13,273	12,686	12,162	11,777
- Non-Interest Earning Portion	132	26	126	326	300	119	289
ALL	(4,192)	(3,852)	(3,550)	(3,580)	(3,307)	(3,348)	(3,141)
Gross Income from Financial Intermediation	10,320	9,883	9,991	10,019	9,679	8,933	8,925
Income from Insurance Premiums, Pension Plans and Capitalization bonds, minus Variation of Technical Reserves, Retained Claims and others (1)	1,493	1,411	1,311	1,211	1,363	1,170	1,270
Fee and Commission Income	6,597	6,380	6,118	5,744	5,839	5,639	5,328
Personnel Expenses	(3,839)	(3,797)	(3,618)	(3,445)	(3,676)	(3,564)	(3,448)
Other Administrative Expenses	(4,574)	(4,200)	(3,926)	(3,639)	(4,159)	(3,628)	(3,575)
Tax Expenses	(1,650)	(1,330)	(1,351)	(1,309)	(1,211)	(1,182)	(1,120)
Equity in the Earnings (Losses) of Unconsolidated Companies	93	38	33	(20)	57	43	35
Other Operating Income/ (Expenses)	(1,586)	(1,604)	(1,606)	(1,912)	(1,360)	(1,311)	(1,333)
Operating Result	6,854	6,781	6,952	6,649	6,532	6,100	6,082
Non-Operating Result	(68)	(92)	(55)	(68)	(68)	(45)	(34)
Income Tax and Social Contribution	(2,183)	(2,124)	(2,351)	(2,275)	(2,308)	(2,075)	(2,215)
Non-controlling Interest	(41)	(32)	(42)	(32)	(24)	(30)	(29)
Adjusted Net Income	4,562	4,533	4,504	4,274	4,132	3,950	3,804

(1) In "Others", it includes: Capitalization Bond Draws and Redemption; and Insurance, Pension Plan and Capitalization Bond Sales Expenses.

Interest and Non-Interest Earning Portions

Earning Portion Breakdown

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Economic and Financial Analysis**Interest and Non-Interest Earning Portions****Average Earning Portion Rate**

	Net Interest Income				R\$ million	
	12M15	12M14	4Q15	3Q15	Variation 12 months	Quarter
Interest - due to volume					371	(2)
Interest - due to spread					6,909	673
- NII - Interest Earning Portion	54,777	47,497	14,380	13,709	7,280	671
- NII - Non-Interest Earning Portion	610	798	132	26	(188)	106
Net Interest Income	55,387	48,295	14,512	13,735	7,092	777
Average NIM ⁽¹⁾	7.5%	7.3%	7.5%	7.6%		

(1) Average Rate in 12 months = (Earning Portion / Total Average Assets – Repos – Permanent Assets)

In the comparison between the fourth quarter of 2015 over the previous quarter, the R\$777 million increase was due to: (i) the higher interest earning portion, totaling R\$671 million, due to the increase of average spread, in the amount of R\$673 million; and (ii) the non-interest earning portion increase in the amount of R\$106 million.

In the year of 2015, the earning portion reached R\$55,387 million, increasing R\$7,092 million compared with the previous year, reflecting: (i) a R\$7,280 million growth in the result of interest earning operations, particularly "Credit Intermediation" portions and "Securities/Other"; and offset by: (ii) the lower non-interest earning portion results, totaling R\$188 million.

Interest Earning Portion**Interest Earning Portion – Breakdown**

	Interest Earning Portion Breakdown				R\$ million	
	12M15	12M14	4Q15	3Q15	Variation 12 months	Quarter
Credit Intermediation	42,788	38,366	11,313	10,806	4,422	507
Insurance	5,558	4,303	1,523	1,349	1,255	174
Securities/Other	6,431	4,828	1,544	1,554	1,603	(10)
Interest Earning Portion	54,777	47,497	14,380	13,709	7,280	671

The interest earning portion stood at R\$14,380 million in the fourth quarter of 2015, against R\$13,709 million recorded in the third quarter of 2015, accounting for an increase of R\$671 million. The business line that most contributed to this result was “Credit Intermediation”.

In the comparison between the year of 2015 over the same period in the previous year, the interest earning portion recorded a R\$7,280 million growth in the interest earning portion, particularly the lines of “Credit Intermediation” and “Securities/Other”.

Economic and Financial Analysis Report – December 2015

Economic and Financial Analysis

Interest Earning Portion**Interest Earning Portion – Rates**

The interest earning portion rate in the last 12 months remained at 7.5% in the fourth quarter of 2015. In the year-over-year comparison, the growth of 0.4 p.p. was the reflection of increased profits obtained in the interest earning portions of “Credit Intermediation”, “Insurance” and “TVM/Other”.

Interest Earning Portion – Average Rates (12 months)

	12M15			12M14			R\$ million
	Interest	Average Balance	Average Rate	Interest	Average Balance	Average Rate	
Credit Intermediation	42,788	366,001	11.7%	38,366	341,470	11.2%	
Insurance	5,558	164,894	3.4%	4,303	143,307	3.0%	
Securities/Other	6,431	395,896	1.6%	4,828	342,564	1.4%	
Interest Earning Portion	54,777	-	7.5%	47,497	-	7.1%	

	4Q15			3Q15			
	Interest	Average Balance	Average Rate	Interest	Average Balance	Average Rate	
Credit Intermediation	11,313	370,405	11.7%	10,806	369,422	11.5%	
Insurance	1,523	174,030	3.4%	1,349	167,661	3.3%	
Securities/Other	1,544	395,578	1.6%	1,554	419,074	1.6%	
Interest Earning Portion	14,380	-	7.5%	13,709	-	7.5%	

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Economic and Financial Analysis**Interest Earning Portion of Credit Intermediation****Earning Portion of Credit Intermediation – Breakdown**

	R\$ million					
	Net Interest Income - Credit Intermediation					
	12M15	12M14	4Q15	3Q15	Variation 12 months	Quarter
Interest - due to volume					239	10
Interest - due to spread					4,183	497
Interest Earning Portion	42,788	38,366	11,313	10,806	4,422	507
Income	70,890	59,192	17,287	21,044	11,698	(3,757)
Expenses	(28,102)	(20,826)	(5,974)	(10,238)	(7,276)	4,264

In the fourth quarter of 2015, interest earning portion of “Credit Intermediation” reached R\$11,313 million, up 4.7% or R\$507 million when compared to the third quarter of 2015. The variation is, mainly, the result of a R\$497 million increase in the average spread due to an improved management in investment resources and funding operations.

In comparison between the year of 2015 and the same period of the previous year, there was an increase of 11.5% or R\$4,422 million. The variation is the result of: (i) an increase in the average spread, amounting to R\$4,183 million, due to an improved management in investment resources and funding operations; and (ii) a R\$239 million increase in the volume of operations.

Net Earning Portion of Credit Intermediation

The graph above presents a summary of Credit Intermediation activity. The Gross Margin line refers to interest income from loans, deducted from the customer acquisition costs.

The curve relating to the ALL shows delinquency costs, which are represented by Allowance for Loan Losses (ALL) Expenses, plus discounts granted in transactions net of loan recoveries, arising from the sale of foreclosed assets, among others.

In the fourth quarter of 2015, the curve related to the net margin, which presents the result of the net revenue from credit interest of ALL, had a growth of 2.4% in the quarterly comparison, primarily due to: (i) the increase in the average spread; and partially offset by: (ii) the higher delinquency rate in the period, mainly due to downturn in the economic activities.

In the comparison between the year of 2015 and the same period of the previous year, the net margin recorded a 7.4% growth due to an increase of: (i) the average spread; (ii) the average volume of business; was offset: (iii) by the effect of aligning the level of provision of certain transactions with corporate

customers; and (iv) the higher delinquency rate in the period.

- Economic and Financial Analysis Report – December 2015

Economic and Financial Analysis

Interest Earning Portion of Credit Intermediation

Expanded Loan Portfolio⁽¹⁾

In December 2015, the expanded loan portfolio of Bradesco stood at R\$474.0 billion, remaining stable compared to the previous quarter. Micro, Small and Medium Sized Enterprises and Corporate segment presented a reduction of 1.2% and 0.8%, respectively, while the Individual, in turn, registered an expansion of 1.7% in the period.

In the last 12 months, the portfolio presented an increase of 4.2% primarily represented by: (i) 9.5% in the Corporate segment; and (ii) 4.5% in Individuals; partially offset: (iii) by the reduction of 5.3% in Micro, Small and Medium Sized Companies.

For Individuals, the products that presented the strongest growth in the last 12 months were: (i) payroll-deductible loan; and (ii) real estate financing, especially for the public sector and INSS beneficiaries. In the Corporate segment, the highlights were: (i) operations abroad; and (ii) export financing, influenced by the exchange rate variation in the period.

(1) In addition to Bacen loan portfolio, it includes sureties, guarantees, letters of credit, advances of credit card receivables, debentures, promissory notes, co-obligation (receivables-backed investment funds, mortgage-backed receivables, and farm loans).

Expanded Loan Portfolio Breakdown by Product and Type of Customer (Individual and Corporate)

A breakdown of expanded loan portfolio products for the Individual segment is presented below:

Individuals	R\$ million			Variation %	
	Dec15	Sept15	Dec14	Quarter	12M
Payroll-deductible Loan	34,565	33,905	29,619	1.9	16.7
Credit Card	28,592	25,969	26,233	10.1	9.0
Real Estate Financing	22,781	21,181	17,919	7.6	27.1
CDC / Vehicle Leasing	21,689	22,483	24,858	(3.5)	(12.7)

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Personal Loans	15,201	15,662	16,354	(2.9)	(7.1)
Rural Loans	8,215	8,717	10,300	(5.8)	(20.2)
BNDES/Finame Onlending	7,029	7,098	7,334	(1.0)	(4.2)
Overdraft Facilities	3,905	4,369	3,666	(10.6)	6.5
Sureties and Guarantees	707	715	458	(1.2)	54.3
Other	5,065	5,134	4,693	(1.4)	7.9
Total	147,749	145,234	141,432	1.7	4.5

Individual segment operations grew by 1.7% in the quarter and 4.5% over the last 12 months, while the lines highlighted in the quarter were: (i) real estate financing; and (ii) payroll-deductible loan. In the last 12 months, the lines that presented significant growth were: (i) real estate financing; and (ii) payroll-deductible loan.

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Economic and Financial Analysis**Interest Earning Portion of Credit Intermediation**

A breakdown of expanded loan portfolio products for the Corporate segment is presented below:

Corporate	R\$ million			Variation %	
	Dec15	Sept15	Dec14	Quarter	12M
Operations Abroad	48,453	51,441	36,119	(5.8)	34.1
Working Capital	42,432	42,096	45,004	0.8	(5.7)
BNDES/Finame Onlending	31,129	30,279	34,835	2.8	(10.6)
Real Estate Financing	26,508	25,951	23,560	2.1	12.5
Export Financing	23,158	23,061	15,839	0.4	46.2
Overdraft Account	9,794	10,317	10,462	(5.1)	(6.4)
CDC / Leasing	9,666	10,391	12,388	(7.0)	(22.0)
Rural Loans	5,404	5,588	6,657	(3.3)	(18.8)
Sureties and Guarantees	69,176	71,904	71,611	(3.8)	(3.4)
Operations bearing Credit Risk - Commercial Portfolio ⁽¹⁾	34,319	33,111	33,185	3.6	3.4
Other	26,238	25,113	24,035	4.5	9.2
Total	326,278	329,253	313,695	(0.9)	4.0

(1) Includes debenture and promissory note operations.

Corporate segment operations decreased by 0.9% in the quarter and increased by 4.0% in the last 12 months. In the quarter, the operations that showed significant growth were: (i) BNDES/Finame onlending; and (ii) housing loans. In the last 12 months, the lines highlighted were: (i) export financing; and (ii) operations abroad, due to the exchange variation rate in the period.

Expanded Loan Portfolio – Consumer Financing^(j)

The graph below shows the types of credit related to Consumer Financing of the Individual segment, which stood at R\$100.0 billion in December 2015, an increase of 2.1% over the quarter and 3.1% over the last 12 months.

The lines highlighted in December 2015 are: (i) personal loans, including payroll-deductible loans, totaling R\$49.8 billion; and (ii) credit card, totaling R\$28.6 billion. Together, these operations totaled R\$78.4 billion, accounting for 78.3% of the Consumer Financing balance.

Economic and Financial Analysis

Interest Earning Portion of Credit Intermediation

Breakdown of Vehicle Portfolio

	R\$ million			Variation %	
	Dec15	Sept15	Dec14	Quarter	12M
CDC Portfolio	28,283	29,443	32,924	(3.9)	(14.1)
Individuals	21,495	22,260	24,539	(3.4)	(12.4)
Corporate	6,788	7,183	8,385	(5.5)	(19.0)
Leasing Portfolio	1,026	1,175	1,682	(12.7)	(39.0)
Individuals	195	223	319	(12.6)	(38.9)
Corporate	831	952	1,363	(12.7)	(39.0)
Finame Portfolio	6,820	10,831	11,295	(37.0)	(39.6)
Individuals	254	397	615	(36.0)	(58.7)
Corporate	6,566	10,434	10,680	(37.1)	(38.5)
Total	36,129	41,449	45,901	(12.8)	(21.3)
Individuals	21,944	22,880	25,473	(4.1)	(13.9)
Corporate	14,185	18,569	20,428	(23.6)	(30.6)

Vehicle financing operations (individual and corporate) totaled R\$36.1 billion in December 2015, presenting a decrease both in the quarter-over-quarter and year-over-year comparison. Of the total vehicle portfolio, 78.3% corresponds to CDC, 18.9% to "Finame", and 2.8% to Leasing. Individuals represented, in December 2015, 60.7% of the portfolio, while the Corporate segment accounted for the remaining 39.3%.

The variations presented in the portfolio are the reflection of a more reduced financing market and of Bradesco's search for lower risk and more profitable operations, due to the demand for higher value of entry for these financing operations.

Expanded Loan Portfolio Concentration – By Sector

The expanded loan portfolio by economic activity sector showed a slight variation in the share of the sectors that it comprises. In the quarter-over-quarter comparison, there is an increase in the participation of the "Individual". In the last 12 months, the "Public Sector" and "Manufacturing" segments recorded the highest growth.

Activity Sector	R\$ million					
	Dec15	%	Sept15	%	Dec14	%
Public Sector	12,806	2.7	13,644	2.9	7,916	1.7
Private Sector	461,221	97.3	460,844	97.1	447,211	98.3

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Corporate	313,472	66.1	315,610	66.5	305,779	67.2
Industry	98,916	20.9	101,068	21.3	91,311	20.1
Commerce	54,156	11.4	54,746	11.5	57,382	12.6
Financial Intermediaries	7,562	1.6	7,099	1.5	6,774	1.5
Services	149,403	31.5	148,970	31.4	146,569	32.2
Agriculture, Cattle Raising, Fishing, Forestry and Forest Exploration	3,435	0.7	3,727	0.8	3,743	0.8
Individuals	147,749	31.2	145,234	30.6	141,432	31.1
Total	474,027	100.0	474,488	100.0	455,127	100.0

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Economic and Financial Analysis**Interest Earning Portion of Credit Intermediation****Changes to the Expanded Loan Portfolio**

New borrowers in the expanded loan portfolio were responsible for the R\$22.5 billion growth in the loan portfolio over the last 12 months, and accounted for 4.8% of the portfolio in December 2015.

Changes in the Expanded Loan Portfolio – By Rating

The chart below shows that the vast majority of new borrowers and customers that remained in the loan portfolio since December 2014 received ratings between AA and C, demonstrating the adequacy and consistency of the loan policy and processes (assignment and monitoring), as well as the quality of guarantees.

Changes in Expanded Loan Portfolio by Rating from December 2014 through December 2015

<i>Rating</i>	Total Credit on December 2015		New customers between January 2015 and December 2015		Remaining Customers from December 2014	
	R\$ million	%	R\$ million	%	R\$ million	%
AA - C	437,856	92.4	21,428	95.1	416,428	92.2
D	11,158	2.3	243	1.1	10,915	2.5
E - H	25,013	5.3	858	3.8	24,155	5.3
Total	474,027	100.0	22,529	100.0	451,498	100.0

Expanded Loan Portfolio – By Customer Profile

The chart below presents the evolution in the expanded loan portfolio by customer profile:

Customer Profile	R\$ million			Variation %	
	Dec15	Sept15	Dec14	Quarter	12M
Corporations	215,892	217,524	197,188	(0.8)	9.5
SMEs	110,386	111,729	116,507	(1.2)	(5.3)
Individuals	147,749	145,234	141,432	1.7	4.5
Total Loan Operations	474,027	474,488	455,127	(0.1)	4.2

Economic and Financial Analysis

Interest Earning Portion of Credit Intermediation

Expanded Loan Portfolio – By Customer Profile and Rating (%)

Although a slight decrease was registered in comparison to the previous years, the range represented by credits classified between AA and C remained in very comfortable levels.

Customer Profile	By Rating								
	Dec15			Sept15			Dec14		
	AA-C	D	E-H	AA-C	D	E-H	AA-C	D	E-H
Corporations	96.5	2.0	1.5	96.3	2.0	1.7	98.1	0.5	1.5
SMEs	87.4	3.6	9.0	88.2	3.5	8.3	90.2	2.8	7.0
Individuals	90.0	1.9	8.1	90.4	1.9	7.7	91.2	1.6	7.2
Total	92.4	2.3	5.3	92.6	2.3	5.1	93.9	1.4	4.7

Expanded Loan Portfolio – By Business Segment

Regarding the growth of the expanded loan portfolio by "Business Segment", we highlight the growth of the Corporate and Prime segments in the last 12 months. In the quarter, we highlight the Prime segment.

Business Segments	R\$ million						Variation %	
	Dec15	%	Sept15	%	Dec14	%	Quarter	12M
Retail	130,268	27.5	130,415	27.5	128,949	28.4	(0.1)	1.0
Corporate	217,298	45.8	218,654	46.1	197,996	43.5	(0.6)	9.7
Middle Market	48,855	10.3	48,991	10.3	50,083	11.0	(0.3)	(2.5)
Prime	23,893	5.0	23,080	4.9	21,956	4.8	3.5	8.8
Other / Non-account Holders ⁽¹⁾	53,714	11.3	53,348	11.2	56,143	12.3	0.7	(4.3)
Total	474,027	100.0	474,488	100.0	455,127	100.0	(0.1)	4.2

(1) Mostly, non-account holders using vehicle financing, credit cards and payroll-deductible loans.

Expanded Loan Portfolio – By Currency

The balance of foreign currency-indexed and/or denominated loan and on-lending operations (excluding ACCs – Advances on Foreign Exchange Contracts) totaled US\$14.2 billion in December 2015 (US\$14.8 billion in September 2015 and US\$15.7 billion in December 2014), a decrease of 4.1% as compared to the previous quarter and a reduction of 9.6% over the last 12 months, in U.S. Dollars. In Brazilian reais, such operations totaled

In December 2015, total loan operations in reais reached R\$418.6 billion (R\$415.5 billion in September 2015 and R\$413.3 billion in December 2014), an increase of 0.7% in the quarter-over-quarter comparison and 1.3% in the last 12 months.

R\$55.4 billion in December 2015 (R\$58.9 billion in September 2015 and R\$41.8 billion in December 2014), a decrease of 5.9% in the quarter and an increase of 32.5% over the last 12 months.

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Economic and Financial Analysis**Interest Earning Portion of Credit Intermediation****Expanded Loan Portfolio – By Debtor**

The range of the hundred main debtors was more concentrated. The high quality of credit of these clients should be highlighted.

Loan Portfolio⁽¹⁾ – By Type

All operations bearing credit risk reached R\$510.1 billion, an increase of 6.0% in the last 12 months and the portfolio remained stable in the quarter.

	R\$ million			Variation %	
	Dec15	Sept15	Dec14	Quarter	12M
Loans and Discounted Securities Financing	179,044	181,369	165,239	(1.3)	8.4
Rural and Agribusiness Financing	20,844	21,496	24,083	(3.0)	(13.5)
Leasing Operations	3,073	3,357	4,319	(8.5)	(28.9)
Advances on Exchange Contracts	7,647	8,273	5,876	(7.6)	30.1
Other Loans	25,493	21,154	22,535	20.5	13.1
Subtotal Loan Operations ⁽²⁾	366,995	366,055	346,644	0.3	5.9
Sureties and Guarantees Granted (Memorandum Accounts)	69,883	72,620	72,070	(3.8)	(3.0)
Operations bearing Credit Risk - Commercial Portfolio ⁽³⁾	34,319	33,111	33,185	3.6	3.4
Letters of Credit (Memorandum Accounts)	286	416	336	(31.3)	(14.9)
Advances from Credit Card Receivables	1,293	945	1,441	36.8	(10.3)
Co-obligation in Loan Assignment CRI (Memorandum Accounts)	1,160	1,238	1,351	(6.3)	(14.2)
Co-obligation in Rural Loan Assignment (Memorandum Accounts)	91	102	101	(10.6)	(9.7)
Subtotal of Operations bearing Credit Risk - Expanded Portfolio	474,027	474,488	455,127	(0.1)	4.2
Other Operations Bearing Credit Risk ⁽⁴⁾	36,083	35,478	25,985	1.7	38.9
Total Operations bearing Credit Risk	510,109	509,966	481,112	-	6.0

(1) In addition to the Expanded Portfolio, it includes other operations bearing credit risk;

(2) As defined by Bacen;

(3) Includes debenture and promissory note operations; and

(4) Includes CDI operations, rural DI, international treasury, swap, non-deliverable forward transaction and investments in FIDC, Certificate of Agribusiness Credit Rights (CDCA) and Certificates of Real Estate Receivables (CRI).

Interest Earning Portion of Credit Intermediation

The charts below refer to the Loan Portfolio, as defined by Bacen.

Loan Portfolio⁽¹⁾ – By Flow of Maturities⁽²⁾

The loan portfolio by flow of maturities of operations has, as one of its features, a longer profile, mainly due to the representativeness of real estate financing and payroll-deductible loans operations. It must be noted that, due to their guarantees and characteristics, these operations are not only exposed to lower risk, but they also provide favorable conditions to gain customer loyalty.

(1) As defined by Bacen; and

(2) Only performing loans.

Economic and Financial Analysis

Interest Earning Portion of Credit Intermediation

Loan Portfolio⁽¹⁾ – Delinquency

The delinquency ratio, comprising the balance of operations in delays for more than 90 days, showed an increase, mainly, due to lower growth pace in the loan portfolio and the deceleration process in the economic activity. In the period, the reduction of the delinquency ratio in the segment of Large Companies is noteworthy, that partially offset, the effects of higher delinquency rate for the Individual and Micro, Small and Medium Sized Enterprises.

In the quarter, short-term delinquency, including operations past due between 15 and 90 days, remained stable. The increase occurred in the Corporate segment was offset by a decrease in Individuals.

(1) As defined by Bacen.

Economic and Financial Analysis Report – December 2015

Interest Earning Portion of Credit Intermediation

Allowance for Loan Losses (ALL) vs. Delinquency vs. Losses⁽¹⁾

Bradesco monitors the development of its loan portfolio, as well as respective risks, by internally applying the expanded portfolio concept. In addition to the allowance for loan losses required by Bacen, Bradesco has excess ALL to support potential stress scenarios, as well as other operations/commitments bearing credit risks.

Allowance for Loan Losses totaled R\$29.5 billion in December 2015, representing 8.0% of the total loan portfolio, comprising: (i) generic provision (customer and/or operation rating); (ii) specific provision (non-performing loans); and (iii) excess provision (internal criteria, including provision for guarantees provided).

Provisioning levels are deemed appropriate and sufficient to support possible changes in scenarios, such as higher delinquency levels and/or changes in the loan portfolio profile.

(1) As defined by Bacen; and

(2) Includes provision for guarantees provided, encompassing sureties, guarantees, letters of credit and standby letters of credit, which comprises the concept of “excess” ALL. In September 2015, includes the ALL Surplus/Deficit Rating, considered as an extraordinary event, totaling R\$3,704 million. Thus, the balance of the ALL – Surplus provision went from R\$4,004 million in June 2015 to R\$6,409 million in September 2015.

Economic and Financial Analysis

Interest Earning Portion of Credit Intermediation

Allowance for Loan Losses (ALL) vs. Delinquency vs. Loss⁽¹⁾

The assertiveness of the provisioning criteria adopted must be mentioned, which is proven by: (i) analyzing historical data on recorded allowances for loan losses; and (ii) effective losses in the subsequent 12-month period. When analyzed in terms of net loss of recovery, for an existing provision of 6.7% of the portfolio⁽¹⁾ in December 2014, the net loss in the subsequent 12 months was 3.0%, that is, the existing provision exceeded over 120% the loss occurred in the subsequent 12 months.

(1) As defined by Bacen; and

(2) Includes provision for guarantees provided, encompassing sureties, guarantees, letters of credit and standby letters of credit, which comprises the concept of “excess” ALL. In September 2015, includes the ALL Surplus/Deficit Rating, considered as an extraordinary event, totaling R\$3,704 million. Thus, the balance of the ALL – Surplus provision went from R\$4,004 million in June 2015 to R\$6,409 million in September 2015.

Economic and Financial Analysis Report – December 2015

Interest Earning Portion of Credit Intermediation

Provision for Allowance for Loan Losses ⁽¹⁾

Allowance for loan losses ratios have presented very comfortable levels in relation to loans over 60 and 90 days past due, and reached a 161.7% and a 198.0% coverage, respectively.

The Non-Performing Loans ratio (operations over 60 days past due) presented an increase in the quarter-over-quarter comparison and year-over-year comparison, mainly due to the downturn in economic activity.

(1) As defined by Bacen;

(2) Includes provision for guarantees provided, encompassing sureties, guarantees, letters of credit and standby letters of credit, which comprises the concept of “excess” ALL. In September 2015, includes the ALL Surplus/Deficit Rating, considered as an extraordinary event, totaling R\$3,704 million; Thus, the balance of the ALL – Surplus provision went from R\$4,004 million in June 2015 to R\$6,409 million in September 2015; and

(3) Loan operations overdue for over 60 days and that do not generate revenue appropriation on accrual accounting.

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Economic and Financial Analysis**Interest Earning Portion of Credit Intermediation****Loan Portfolio – Portfolio Indicators**

With a view to facilitate the monitoring of the quantitative and qualitative performance of Bradesco's loan portfolio, a comparative summary of the main figures and indicators is presented below:

	R\$ million (except %)		
	Dec15	Sept15	Dec14
Total Loan Operations ⁽¹⁾	366,995	366,055	346,644
- Individuals	146,540	143,941	140,309
- Corporate	220,454	222,114	206,335
Total Provision ⁽²⁾	29,499	28,670	23,146
- Specific	14,274	13,619	12,004
- Generic	8,815	8,641	7,135
- Excess ⁽²⁾	6,410	6,409	4,007
Specific Provision / Total Provision ⁽²⁾ (%)	48.4	47.5	51.9
Total Provision ⁽²⁾ / Loan Operations (%)	8.0	7.8	6.7
AA - C Rated Loan Operations / Loan Operations (%)	90.6	90.9	92.2
D Rated Operations under Risk Management / Loan Operations (%)	2.7	2.7	1.8
E - H Rated Loan Operations / Loan Operations (%)	6.6	6.4	6.0
D Rated Loan Operations	10,027	9,881	6,077
Provision for D-rated Operations	2,432	2,383	1,709
D Rated Provision / Loan Operations (%)	24.3	24.1	28.1
D - H Rated Non-Performing Loans	20,775	19,944	17,184
Total Provision ⁽²⁾ / D-to-H-rated Non-performing Loans (%)	142.0	143.8	134.7
E - H Rated Loan Operations	24,383	23,424	20,954
Provision for E-to-H-rated Loan Operations	21,327	20,478	17,546
E - H Rated Provision / Loan Operations (%)	87.5	87.4	83.7
E - H Rated Non-Performing Loans	17,224	16,303	14,355
Total Provision ⁽²⁾ / E-to-H-rated Non-performing Loans (%)	171.3	175.9	161.2
Non-performing Loans ⁽³⁾	18,238	17,025	14,779
Non-performing Loans ⁽³⁾ / Loan Operations (%)	5.0	4.7	4.3
Coverage Ratio - Total Provision ⁽²⁾ / Non Performing Loans ⁽³⁾ (%)	161.7	168.4	156.6
Loan Operations Overdue for over 90 days	14,896	13,935	12,246
Loan Operations Overdue for over 90 days / Loan Operations (%)	4.1	3.8	3.5
Coverage Ratio - Total Provision ⁽²⁾ / Operations Overdue for over 90 days (%)	198.0	205.7	189.0

(1) As defined by Bacen;

(2) Includes provision for guarantees provided, encompassing sureties, guarantees, letters of credit and standby letters of credit, which comprises the concept of "excess" ALL. In September 2015, includes the ALL Surplus/Deficit Rating, considered as an extraordinary event, totaling R\$3,704 million; Thus, the balance of

the ALL – Surplus provision went from R\$4,004 million in June 2015 to R\$6,409 million in September 2015;
and

(3) Loan operations overdue for over 60 days and that do not generate revenue appropriation on accrual
accounting.

Economic and Financial Analysis Report – December 2015

Economic and Financial Analysis

Interest Earning Portion of Credit Intermediation

Loans vs. Funding

To analyze Loan Operations in relation to Funding, the following should be deducted from total customer funding: (i) the amount committed to reserve requirements at Bacen, (ii) the amount of available funds held at customer service network, as well as add (iii) funds from domestic and foreign lines of credit that finance the demand for loans.

Note that the use of funds provides a comfortable margin, which proves that Bradesco is capable of meeting demand for loaning funds through its own funding.

Bradesco presents low dependency on interbank deposits and foreign lines of credit, given its capacity to effectively obtain funding from customers. This is a result of: (i) the outstanding location of its Service Points; (ii) the broad diversity of products offered; and (iii) the market's confidence in the Bradesco brand.

Funding vs. Investments	R\$ million			Variation %	
	Dec15	Sept15	Dec14	Quarter	12M
Demand Deposits + Sundry Floating	24,421	27,948	33,464	(12.6)	(27.0)
Savings Deposits	91,879	89,616	92,155	2.5	(0.3)
Time Deposits + Debentures ⁽¹⁾	158,662	154,481	154,632	2.7	2.6
Funds from Financial Bills ⁽²⁾	100,070	101,303	76,059	(1.2)	31.6
Customer Funds	375,032	373,348	356,310	0.5	5.3
(-) Reserve Requirements	(54,792)	(52,269)	(50,925)	4.8	7.6
(-) Available Funds	(9,372)	(7,544)	(10,940)	24.2	(14.3)
Customer Funds Net of Reserve Requirements	310,868	313,535	294,445	(0.9)	5.6
Onlending	42,101	41,685	43,779	1.0	(3.8)
Securities Abroad	9,477	9,684	8,766	(2.1)	8.1
Borrowing	28,237	27,969	15,219	1.0	85.5
Other (Subordinated Debt + Other Borrowers - Cards)	69,736	55,895	53,916	24.8	29.3
Total Funding (A)	460,419	448,768	416,125	2.6	10.6
Expanded Loan Portfolio (Excluding Sureties and Guarantees) (B)	404,144	401,868	383,057	0.6	5.5
B/A (%)	87.8	89.5	92.1	(1.7) p.p.	(4.3) p.p.

(1) Debentures mainly used to back repos; and

(2) Includes: Collateral Mortgage Notes, Mortgage Bonds, Letters of Credit for Agribusiness, Financial Bills and Structured Operations Certificate.

Economic and Financial Analysis**Interest Earning Portion of Credit Intermediation****Main Funding Sources**

The following table presents the changes in these sources:

	R\$ million			Variation %	
	Dec15	Sept15	Dec14	Quarter	12M
Demand Deposits	23,820	24,267	33,029	(1.8)	(27.9)
Savings Deposits	91,879	89,616	92,155	2.5	(0.3)
Time Deposits	79,595	88,737	85,787	(10.3)	(7.2)
Debentures ⁽¹⁾	79,067	65,744	68,845	20.3	14.8
Borrowing and Onlending	70,338	69,654	58,998	1.0	19.2
Funds from Issuance of Securities ⁽²⁾	109,547	110,987	84,825	(1.3)	29.1
Subordinated Debts	50,283	38,535	35,822	30.5	40.4
Total	504,529	487,540	459,461	3.5	9.8

(1) Considering mostly debentures used to back repos; and

(2) Includes: Financial Bills, in December 2015, totaling R\$71,692 million (R\$74,628 million in September 2015 and R\$54,961 million in December 2014).

Demand deposits

The reductions of R\$447 million, or 1.8%, in the fourth quarter of 2015 as compared to the previous quarter, and of R\$9,209 million, or 27.9%, in the year-over-year comparison, were mostly due to new business opportunities offered to customers, because of interest rate fluctuations in that period.

Savings Deposits

Savings deposits totaled R\$91,879 million in December 2015, showing an increase of 2.5% as compared to the end of the previous quarter and remaining stable in comparison to the same period in the previous year.

Bradesco is always increasing its savings accounts base, posting a net growth of 1.0 million new savings accounts over the last 12 months.

- Economic and Financial Analysis Report – December 2015

Interest Earning Portion of Credit Intermediation

Time Deposits

At the end of December 2015, the balance of time deposits totaled R\$79,595 million, registering decreases both in the quarter-over-quarter comparison, of 10.3%, or R\$9,142 million, and in the year-over-year comparison, 7.2%, or R\$6,192 million.

This performance was primarily due to the oscillations of the interest rates occurring in the period and to the new investment alternatives available to customers.

Debentures

In December 2015, Bradesco's debentures balance totaled R\$79,067 million, registering increase both in the quarter-over-quarter comparison, of 20.3% or R\$13,323 million, and year-over-year comparison, of 14.8% or R\$10,222 million.

Such variations refer mainly to the placement of these financial instruments, which are also used as ballast in committed transactions.

Borrowing and On-lending

In December 2015, balance of on-lending achieved R\$70,338 million, an increase of R\$684 million, as compared to the previous quarter, mainly due to the increase of R\$732 million in the volume of funding raised by borrowings and on-lending in the country,

mainly through: (i) an increase of the BNDES operations, in the amount of R\$1,609 million; being mitigated, in part: (ii) the decrease of Finame operations, in the amount of R\$860 million.

In the comparison between December 2015 over the same period of the previous year, the balance of borrowings and on-lending recorded an increase of R\$11,340 million, or 19.2%, essentially due to: (i) the increase of R\$15,437 million in borrowings and on-lending denominated and/or indexed in foreign currency, whose balance changed from R\$16,682 million in December 2014 to R\$32,119 million in December 2015, primarily due to the positive exchange rate variation of 47.0% in the period; offset by: (ii) the reduction of R\$4,098 million, or 9.7%, in the volume of resources captured by borrowings and on-lending in the country, mainly in the form of Finame operations.

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Economic and Financial Analysis

Interest Earning Portion of Credit Intermediation

Funds from Issuance of Securities

Funds from Issuance of Securities totaled R\$109,547 million, a decrease of R\$1,440 million, or 1.3%, over the previous quarter, primarily due to: (i) the decrease in the balance of Financial Bills operations, totaling R\$2,936 million; partially offset by the growth (ii) in Real Estate Loan Letters operations, totaling R\$1,235 million; and (iii) in Letters of Credit for Agribusiness operations, totaling R\$503 million.

In the comparison between December 2015 over the same period of the previous year, the increase of R\$24,722 million, or 29.1%, was mainly due to: (i) the increased inventory of Financial Bills, from R\$54,961 million in December 2014 to R\$71,692 million in December 2015, primarily due to the new issuances in the period; and (ii) the higher volume of Mortgage Bonds, in the amount of R\$8,360 million.

Subordinated Debt

Subordinated Debt totaled R\$50,283 million in December 2015 (R\$13,714 million abroad and R\$36,569 million in Brazil), presenting an increase both in the quarter-over-quarter comparison, of 30.5% or R\$11,748 million, and in the year-over-year, of 40.4% or R\$14,461 million, mainly due to: (i) the issue of new subordinated debts; (ii) exchange variation rate, and partially offset by (iii) maturity of debts incurred in the periods.

Additionally, it is important do mention that in the fourth quarter of 2015, Bacen authorized the use of

Subordinated Letters of Credit, in the amount of
R\$5,805 million to compose the Tier II of the Basel
Ratio.

- Economic and Financial Analysis Report – December 2015

Interest Earning Portion of Securities/Other**Earning Portion of Securities/Other – Breakdown**

	R\$ million					
	Securities/Other Margin - Interest Earning Operations					
	12M15	12M14	4Q15	3Q15	Variation 12 months	Quarter
Interest - due to volume					71	(30)
Interest - due to spread					1,532	20
Interest Earning Portion	6,431	4,828	1,544	1,554	1,603	(10)
Income	58,662	42,562	11,024	19,386	16,100	(8,362)
Expenses	(52,231)	(37,734)	(9,480)	(17,832)	(14,497)	8,352

In the comparison between the fourth quarter of 2015 over the previous quarter, there was a decrease of R\$10 million in the interest earning portion of “Securities/Other”, which includes the assets and liabilities management (ALM). The change observed was primarily due to: (i) the decrease in the volume of operations, in the amount of R\$30 million; and partially offset by: (ii) an increase in the average spread, in the amount of R\$20 million.

In the comparison between the year of 2015 over the previous year, the interest earning portion of “Securities/Other”, which includes the assets and liabilities management (ALM), recorded an increase of R\$1,603 million. This result was due to: (i) an increase of R\$1,532 million in the average spread; and (ii) an increase in the volume of operations, resulting in R\$71 million.

Interest Earning Portion of Insurance**Earning Portion of Insurance – Breakdown**

	R\$ million					
	Insurance Margin - Interest Earning Operations					
	12M15	12M14	4Q15	3Q15	Variation 12 months	Quarter
Interest - due to volume					61	19
Interest - due to spread					1,194	155
Interest Earning Portion	5,558	4,303	1,523	1,349	1,255	174
Income	21,757	14,201	6,361	4,820	7,556	1,541
Expenses	(16,199)	(9,898)	(4,838)	(3,471)	(6,301)	(1,367)

Comparing the fourth quarter of 2015 with the previous quarter, the interest earning portion of insurance operations recorded a R\$174 million increase, or 12.9%, which was due to: (i) an R\$155 million increase in the average spread; and (ii) an increase in the volume of operations, totaling R\$19 million.

In the comparison between the year of 2015 and the previous year, the interest earning portion presented an increase of 29.2%, or R\$1,255 million, due to: (i) the growth of the average spread, in the amount of R\$1,194 million; reflecting, primarily, IPCA and IGP-M performance in the quarter; and (ii) a greater volume of operations, in the amount of R\$61 million.

Non-Interest Earning Portion

Non-Interest Earning Portion – Breakdown

	NII - Non-Interest Earning Portion					R\$ million	
	12M15	12M14	4Q15	3Q15	Variation 12 months	Quarter	
Non-Interest Earning Portion	610	798	132	26	(188)	106	

Non-interest earning portion stood at R\$132 million in the fourth quarter of 2015, compared to R\$26 million in the previous quarter, showing a R\$106 million increase, due to higher gains with arbitration of markets. In the year-over-year comparison, there was a decrease of R\$188 million in the non-interest earning portion.

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Economic and Financial Analysis**Insurance, Pension Plans and Capitalization Bonds**

Below is the analysis of the Statement of Financial Position and Income Statement of Grupo Bradesco Seguros:

Consolidated Statement of Financial Position

	R\$ million		
	Dec15	Sept15	Dec14
Assets			
Current and Long-Term Assets	205,167	195,183	177,655
Securities	191,921	182,391	166,022
Insurance Premiums Receivable	3,329	3,389	2,991
Other Loans	9,917	9,403	8,642
Permanent Assets	5,040	5,155	4,747
Total	210,207	200,338	182,402
Liabilities			
Current and Long-Term Liabilities	188,740	177,735	161,367
Tax, Civil and Labor Contingencies	3,019	2,890	2,458
Payables on Insurance, Pension Plan and Capitalization Bond Operations	533	589	558
Other Reserve Requirements	7,352	5,627	5,084
Insurance Technical Reserves	13,341	13,323	12,702
Life and Pension Plan Technical Reserves	157,600	148,321	133,857
Capitalization Bond Technical Reserves	6,893	6,985	6,708
Non-controlling Interest	631	623	602
Shareholder's Equity ⁽¹⁾	20,837	21,980	20,433
Total	210,207	200,338	182,402

(1) Considering the shareholders' equity of Bradesco Seguros S.A, which controls the operating companies (insurance, pension plans and capitalization bonds), it would amount to R\$12,425 million in December 2015.

Consolidated Income Statement

	R\$ million			
	12M15	12M14	4Q15	3Q15
Insurance Written Premiums, Pension Plan Contributions and Capitalization Bond Income	64,612	56,152	19,130	15,125
Premiums Earned from Insurance, Pension Plan Contribution and Capitalization Bond	35,179	30,649	9,396	8,910
Financial Result from the Operation	5,441	4,395	1,463	1,287
Sundry Operating Income	1,143	1,104	364	358

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Retained Claims	(21,429)	(17,869)	(5,784)	(5,446)
Capitalization Bond Draws and Redemptions	(5,007)	(4,894)	(1,255)	(1,336)
Selling Expenses	(3,300)	(2,933)	(815)	(844)
General and Administrative Expenses	(2,654)	(2,385)	(781)	(672)
Tax Expenses	(772)	(629)	(195)	(159)
Other Operating Income/Expenses	(653)	(692)	(194)	(132)
Operating Result	7,948	6,746	2,197	1,965
Equity Result	738	678	233	196
Non-Operating Result	8	(33)	-	11
Income before Taxes and Profit Sharing	8,694	7,391	2,431	2,172
Income Tax and Contributions	(3,186)	(2,776)	(977)	(805)
Profit Sharing	(88)	(86)	(19)	(22)
Non-controlling Interest	(131)	(123)	(29)	(29)
Net Income	5,289	4,406	1,405	1,317

Note: For comparison purposes, the non-recurring events' effects are not considered.

- Economic and Financial Analysis Report – December 2015

Insurance, Pension Plans and Capitalization Bonds**Income Distribution of Grupo Bradesco Seguros e Previdência**

	R\$ million							
	4Q15	3Q15	2Q15	1Q15	4Q14	3Q14	2Q14	1Q14
Life and Pension Plans	727	738	785	762	693	588	698	639
Health	247	139	116	182	201	168	184	192
Capitalization Bonds	125	122	145	152	120	74	119	110
Basic Lines and Other	307	318	238	187	222	228	71	99
Total	1,405	1,317	1,284	1,283	1,236	1,058	1,072	1,040

Performance Ratios

	4Q15	3Q15	2Q15	1Q15	4Q14	3Q14	2Q14	1Q14	%
Claims Ratio ⁽¹⁾	71.9	73.1	71.4	71.7	70.9	72.7	70.2	70.1	
Expense Ratio ⁽²⁾	10.4	10.4	10.7	10.4	10.6	10.5	11.2	10.4	
Administrative Expenses Ratio ⁽³⁾	4.1	4.3	4.0	4.1	4.0	4.6	4.0	4.7	
Combined Ratio ^{(4) (5)}	86.5	86.9	86.5	86.8	85.9	86.5	86.3	86.4	

(1) Retained Claims/Earned Premiums;

(2) Sales Expenses/Earned Premiums;

(3) Administrative Expenses/Net Written Premiums;

(4) (Retained Claims + Sales Expenses + Other Operating Income and Expenses) / Earned Premiums + (Administrative Expenses + Taxes) / Net Written Premiums; and

(5) Excludes additional reserves.

Note: For comparison purposes, the non-recurring events' effects are not considered.

Written Premiums, Pension Plan Contributions and Capitalization Bond Income

In the fourth quarter of 2015, the revenue showed an increase of 26.5% in comparison to the previous quarter, particularly to "Life and Pension" products, that was fueled by the highest concentration of private pension contributions in the period.

In the year of 2015, the production registered a growth of 15.1% compared to the same period in the previous year, influenced the "Health" and "Life and Pension" products, which presented growths of 20.1% and 18.1%, respectively.

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_____ Economic and Financial Analysis

Insurance, Pension Plans and Capitalization Bonds

Written Premiums, Pension Plan Contributions and Capitalization Bond Income

_____ Economic and Financial Analysis Report – December 2015

Insurance, Pension Plans and Capitalization Bonds

Retained Claims by Insurance Line

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Insurance, Pension Plans and Capitalization Bonds

Insurance Expense Ratio by Segment

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Insurance, Pension Plans and Capitalization Bonds

Efficiency Ratio

General and Administrative Expenses / Billing.

The improvement in the administrative efficiency ratio between the fourth quarter of 2015 and the previous quarter is a result of: (i) the benefits generated with cost-cutting measures; and (ii) an increase of 26.5% in billing for the period.

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Economic and Financial Analysis

Insurance, Pension Plans and Capitalization Bonds

Technical Reserves

Economic and Financial Analysis Report – December 2015

Economic and Financial Analysis**Bradesco Vida e Previdência**

	R\$ million (unless otherwise specified)						
	4Q15	3Q15	2Q15	1Q15	4Q14	3Q14	2Q14
Net Income	727	738	785	762	693	588	588
Premium and Contribution Income ⁽¹⁾	11,153	7,112	9,183	6,318	10,644	5,645	7,112
- Income from Pension Plans and VGBL	9,744	5,739	7,921	5,081	9,371	4,383	6,318
- Income from Life/Personal Accidents Insurance Premiums	1,409	1,373	1,262	1,237	1,273	1,262	1,237
Technical Reserves	157,600	148,321	144,337	137,322	133,857	126,858	124,321
Investment Portfolio	162,686	155,526	152,035	144,426	140,704	132,535	129,035
Claims Ratio	38.9	35.8	34.4	35.3	35.0	36.6	36.6
Expense Ratio	17.6	18.7	17.0	18.6	18.7	18.5	18.5
Combined Ratio	63.6	61.5	59.7	61.1	61.8	63.4	63.4
Participants / Policyholders (in thousands)	31,985	30,349	29,660	29,306	28,207	27,625	27,625
Premium and Contribution Income Market Share (%) ⁽²⁾	27.6	26.9	27.2	23.9	28.4	25.4	25.4
Life/AP Market Share - Insurance Premiums (%) ⁽²⁾	17.7	17.6	17.2	17.7	17.3	17.7	17.7

(1) Life/VGBL/PGBL/Traditional; and

(2) The fourth quarter of 2015 includes the latest data released by SUSEP (November/15).

Note: For comparison purposes, the non-recurring events' effects are not considered.

In the fourth quarter of 2015, the revenue showed an increase of 56.8% in comparison to the previous quarter. Net income for the fourth quarter of 2015 was 1.5% below the result presented in the previous quarter, influenced by the following factors: (i) a growth of 3.1 p.p. in the claims ratio index; (ii) an increase in personnel and administrative expenses; (iii) the increase of the aliquot of the Social Contribution (CSLL), that affected proportionally the fourth quarter results of 2015; and partially offset by (iv) a decrease of 1.1 p.p. in the commercialization index.

Net income for the period of 2015 was up 15.0% over the same period in the previous year, influenced by the following factors: (i) an increase of 18.1% in billing; (ii) a decrease of 2.0 p.p. in the expense ratio; (iii) decrease in general and administrative expenses; (iv) an improved financial income; partially offset by: (v) an increase of 2.6 p.p. in the claims ratio; and (vi) a decrease in the equity result; and (vii) by the increase of the aliquot of the Social Contribution (CSLL), that affected proportionally the results of 2015.

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Economic and Financial Analysis

Bradesco Vida e Previdência

In December 2015, technical reserves for Bradesco Vida e Previdência stood at R\$157.6 billion, made up of R\$149.8 billion from "Pension Plans and VGBL" and R\$7.8 billion from "Life, Personal Accidents and Other Lines", resulting an increase of 17.7% over December 2014.

The Pension Plan and VGBL Investment Portfolio accounted for 29.5% of market funds in November 2015 (source: Fenaprevi).

Growth of Participants and Life and Personal Accident Policyholders

In December 2015, the number of Bradesco Vida e Previdência customers exceeded 2.4 million pension plan and VGBL participants, and 29.5 million life and personal accident policyholders.

This significant growth was fueled by the strength of the Bradesco brand and the improvement of selling and management policies.

Economic and Financial Analysis Report – December 2015

Economic and Financial Analysis

Bradesco Saúde and Mediservice

	R\$ million (unless otherwise stated)							
	4Q15	3Q15	2Q15	1Q15	4Q14	3Q14	2Q14	1Q14
Net Income	247	139	116	182	201	168	184	192
Net Written Premiums	4,864	4,621	4,376	4,186	4,078	3,851	3,509	3,372
Technical Reserves	6,848	6,806	6,785	6,665	6,453	6,226	6,149	5,794
Claims Ratio	85.7	89.9	89.7	88.5	87.7	87.6	86.1	86.9
Expense Ratio	5.2	5.3	5.4	5.3	5.1	4.8	4.6	4.1
Combined Ratio	99.7	102.3	102.9	101.5	99.5	98.1	97.7	96.9
Policyholders (in thousands)	4,444	4,461	4,472	4,478	4,525	4,475	4,360	4,273
Written Premiums Market Share (%) ⁽¹⁾	49.0	49.3	48.6	48.0	46.1	45.8	45.2	45.4

(1) The fourth quarter of 2015 includes the latest data released by ANS (November/15).

Note: For comparison purposes, the non-recurring events' effects are not considered.

Net income for the fourth quarter of 2015 increased 77.7% over the previous quarter, mainly due to: (i) an increase of 5.3% in billing; (ii) a 4.2 p.p. fall in claims; and (iii) improvement in the financial results, partially offset by: (iv) the increase of the aliquot of the Social Contribution (CSLL), that affected proportionally, the results of the fourth quarter of 2015.

Net income for the year of 2015 was 8.2% lower over the same period of the previous year, mainly due to: (i) the increase in the combined index, which was impacted, in part by: (a) an increase of 1.3 p.p. in the claims ratio; and (b) an increase in the operating expenses related to the constitution of civil contingencies offset by: (ii) the increase of the aliquot of the Social Contribution (CSLL), that affected proportionally the results of the year of 2015; partially offset by (iii) an increase of 21.9% in billing; and (iv) an improvement in the financial results.

In December 2015, Bradesco Saúde and Mediservice maintained a strong market position in the corporate segment (source: ANS).

Approximately 132 thousand companies in Brazil have Bradesco Saúde insurance and Mediservice plans.

Of the 100 largest companies in Brazil in terms of billing, 50 are Bradesco Saúde and Mediservice customers (source: *Exame* magazine – "*Melhores e Maiores*" ranking, July 2015).

Number of Bradesco Saúde and Mediservice Policyholders

These two companies have a combined total of more than 4.4 million customers. The large share of corporate insurance in this portfolio (96.2% in December 2015) is proof of its high level of specialization and customization in the provision of group plans.

Bradesco _____

Economic and Financial Analysis**Bradesco Capitalização**

	R\$ million (unless otherwise stated)							
	4Q15	3Q15	2Q15	1Q15	4Q14	3Q14	2Q14	1Q14
Net Income	125	122	145	152	120	74	119	110
Capitalization Bond Income	1,369	1,477	1,323	1,338	1,432	1,416	1,290	1,205
Technical Reserves	6,893	6,985	6,968	6,921	6,708	6,502	6,267	6,081
Customers (in thousands)	3,190	3,287	3,349	3,393	3,433	3,436	3,456	3,485
Premium Income Market Share (%) ⁽¹⁾	26.0	26.4	25.6	27.7	24.4	24.3	23.6	24.3

(1) The fourth quarter of 2015 includes the latest data released by SUSEP (November/15).

Net income for the fourth quarter of 2015 recorded an increase of 2.5% over the previous quarter, primarily due to: (i) an increase in financial income; partially offset by: (ii) the increase of the aliquot of the Social Contribution (CSLL), that affected proportionally, the results of the fourth quarter of 2015.

Net income in the year of 2015 recorded an increase of 28.6% over the same period in the previous year, primarily due to: (i) an increase of 3.1% in billing; (ii) the improved financial income; (iii) improvement in the administrative efficiency ratio; partially offset by: (iv) the increase of the aliquot of the Social Contribution (CSLL), that affected proportionally, the results of 2015.

Bradesco Capitalização

Bradesco Capitalização ended 2015 in first place among the capitalization bond private companies, showing 3.1% of growth in the revenue in comparison to 2014, due to its policy of transparency and by adjusting its products based on potential consumer demand consistent with the market changes.

Concerned with providing products that better fit the most varied profiles and budgets of its customers, Bradesco Capitalização has a product portfolio ranging by payment method (lump or monthly), contribution term, periodicity and value of premiums that meet the requirements and expectations of the customers.

Combining a pioneering spirit with a business-minded strategic view, Bradesco Capitalização has launched products onto the market concerned with socio-environmental causes, in which part of the revenue goes to projects with this purpose. In addition to offering customers the possibility of creating a financial reserve, Capitalization Bonds with the socio-environmental profile seek to raise customer's awareness about the importance of this subject and allow them to participate in a noble cause that benefits society.

Bradesco Capitalização currently has partnerships with the following institutions: (i) Fundação SOS Mata Atlântica (which contributes to the preservation of biological and cultural diversity of the Atlantic Forest, stimulating social and environmental citizenship); (ii) Fundação Amazonas Sustentável (which contributes to the sustainable development, environmental preservation and improvement of life quality in communities that benefit from preservation centers in the state of Amazonas); (iii) Instituto Brasileiro de Controle do Câncer (the Brazilian Cancer Control Institute – which contributes to the prevention, early diagnosis and treatment of breast cancer in Brazil); (iv) Tamar Project (created to preserve sea turtles); and Instituto Arara Azul

The portfolio is composed of 20.7 million active bonds. Of this total, 36.9% are represented by “Traditional Bonds”, sold at the Branch Network and at Bradesco Dia&Noite service channels. The other 63.1% of the portfolio is represented by “Incentive” bonds (assignment of drawing rights), such as partnerships with Bradesco Vida e Previdência and Bradesco Auto/RE. Given that the purpose of this type of capitalization bond is to add value to the product of a partner company or even to encourage timely payment by its customers. The bonds have reduced maturity and grace terms and lower sale price.

(created to work on the preservation of Blue
Macaws in their natural habitat).

Bradesco _ _

Economic and Financial Analysis**Bradesco Auto/RE and Atlântica Companhia de Seguros**

	R\$ million (unless otherwise stated)							
	4Q15	3Q15	2Q15	1Q15	4Q14	3Q14	2Q14	1Q14
Net Income	52	87	73	42	60	37	38	86
Net Written Premiums	1,380	1,548	1,466	1,401	1,319	1,655	1,551	1,399
Technical Reserves	5,955	5,995	5,970	5,910	5,823	5,952	5,689	5,314
Claims Ratio	56.9	56.3	57.3	61.2	62.1	62.8	62.5	58.0
Expense Ratio	20.7	20.8	20.9	19.7	19.5	21.0	21.8	20.9
Combined Ratio	105.1	102.6	103.7	107.3	106.4	105.4	107.6	103.6
Policyholders (in thousands)	3,781	3,762	3,971	4,285	4,480	4,536	3,690	3,882
Premium Income Market Share (%) ⁽¹⁾	9.7	9.7	10.0	9.9	10.1	10.6	10.6	10.3

(1) The fourth quarter of 2015 includes the latest data released by SUSEP (November/15).

Note: (i) we are considering Atlântica Companhia de Seguros as of the first quarter of 2014; and (ii) in August 2015, we transferred the investment in the IRB – Brasil Resseguro S.A. to Bradesco Seguros.

Net profit in the fourth quarter of 2015 presented a decrease of 40.2% as compared to the previous quarter, due to: (i) the drop in the financial and equity results; (ii) the increase of the aliquot of the Social Contribution (CSLL), that affected proportionally, the results of the fourth quarter of 2015; and partially offset by the: (iii) maintenance of the commercialization index.

Net profit in the year of 2015 presented a 14.9% increase over the results calculated in the same period of the previous year, due to: (i) the reduction of 3.5 p.p. in the claims ratio index and maintenance of the index of commercialization at the same levels as the previous year; (ii) the improvement in the financial results; partially offset by: (iii) the increase in the operational expenses; (iv) the decrease in the equity results; and (v) by the increase of the aliquot of the Social Contribution (CSLL), that affected proportionally, the results of 2015.

In the Property Insurance field, we maintained the focus on large brokers and clients of the "Corporate" and "Companies" segments, which has provided

The division of "Transport" continues being the priority focus, with fundamental investments to leverage new business.

Despite the strong competition in the field of "Auto/RCF", the insurance company has maintained its fleet of around 1.5 million items, guaranteed by the maintenance of competitiveness. Such a fact originated, mainly, from more refined and segmented pricing. Another important aspect refers to the improvement of current products and the creation of products intended for specific audiences. Among these, we can highlight the launch of the product "*Bradesco Seguro Auto Assistência Total*" (Auto Insurance Total Assistance), exclusively for account holders of Bradesco, which assists with *Assistência Dia e Noite* services (Day and Night assistance services), for vehicle and residence of insured persons.

Aiming to provide a consistently better service, Bradesco Auto/RE currently maintains 31 Bradesco Auto Centers (BAC), which offer policyholders access to a varied range of services in a single

renewals of the main accounts, either in leadership or through participation in co-insurance. In the "Aeronautical" and "Maritime Hulls" insurance, the interchange with the "Corporate" and "Companies" segments has been heavily used, leveraging the increment of market in the sale of new aircraft, as well as in the "Maritime" segment.

place. Some of the services offered include: auto claims services, rental car reservations, installation of anti-theft equipment, preventative maintenance checks and glass repairs.

- Economic and Financial Analysis Report – December 2015

Bradesco Auto/RE

Number of Policyholders at Auto/RE

Mass insurance targets individuals, self-employed professionals and SMEs.

It must be pointed out that the company continues with a strong strategy for the “home insurance” segment, totaling more than 1.5 million insured homes. Recently, were launched the “*Seguro Residencial Mensal*” (Monthly Home Insurance), a residential product with monthly billing by direct debit in the current account, and “*Bradesco Seguro Simpli Empresa*”, an easily purchased corporate product is intended for commercial establishments and service providers, such as bakeries, *pousadas* (personalized hospitality), schools, academies, cafeterias, and beauty salons, among others.

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Economic and Financial Analysis**Fee and Commission Income**

A breakdown of the variation in Fee and Commission Income for the respective periods is presented below:

Fee and Commission Income	R\$ million							
					Variation			
	12M15	12M14	4Q15	3Q15	12 months		Quarter	
				Amount	%	Amount	%	
Card Income	9,612	8,129	2,583	2,448	1,483	18.2	135	5.5
Checking Account	4,946	4,021	1,376	1,294	925	23.0	82	6.3
Loan Operations	2,801	2,582	729	739	219	8.5	(10)	(1.4)
Fund Management	2,617	2,449	663	692	168	6.9	(29)	(4.2)
Collection	1,574	1,566	400	397	8	0.5	3	0.8
Consortium Management	1,040	880	275	267	160	18.2	8	3.0
Custody and Brokerage								
Services	557	520	144	149	37	7.1	(5)	(3.4)
Underwriting / Financial								
Advisory Services	541	637	137	105	(96)	(15.1)	32	30.5
Payments	383	373	97	90	10	2.7	7	7.8
Other	767	931	193	199	(164)	(17.6)	(6)	(3.0)
Total	24,839	22,089	6,597	6,380	2,750	12.4	217	3.4
Business Days	250	253	63	65	(3)	(1.2)	(2)	(3.1)

Explanations of the main items that influenced the variation in Fee and Commission Income between periods can be found below.

Card Income

Income from card fees totaled R\$2,583 million in the fourth quarter of 2015, an increase of R\$135 million, or 5.5% over the previous quarter, basically due to: (i) the increase in the financial volume traded; and (ii) the increased amount of transactions carried out in the quarter.

In the year-over-year comparison, the 18.2% growth, or R\$1,483 million, is primarily due to: (i) the increase in the financial volume traded; and the increased amount of transactions carried out in the period

Fee and Commission Income

Checking Account

The revenues of current accounts presented increments both in the quarterly comparative, of 6.3% or R\$82 million, and in the year-over-year comparison, of 23.0% or R\$925 million, due primarily: (i) to the increase in the volume of business; and (ii) by the expansion of the portfolio of services rendered, with the adhesion of clients for the new segments “Classic” and “Exclusive”.

Loan Operations

In the fourth quarter of 2015, revenues from loan operations totaled R\$729 million, which represent a R\$10 million or 1.4% decrease over the previous quarter, due to the decreased volume of operations contracted by Corporate segment, primarily impacted by the deceleration in the economic activity.

In the year-over-year comparison, the R\$219 million or 8.5% increase was substantially due to a higher income from collaterals, which increased 22.8%.

_____ Economic and Financial Analysis**Fee and Commission Income****Fund Management**

In the fourth quarter of 2015, fund management income totaled R\$663 million, presenting a decrease of R\$29 million or 4.2% compared to the previous quarter, mainly due to the fewer number of working days in the quarter.

In the year-over-year comparison, the increase of R\$168 million or 6.9%, was basically due to the increase in the volume of funds raised and managed, which grew 12.6% in the period, highlighted investments in fixed income funds, with growth of 15.6% in the period.

Shareholders' Equity	R\$ million			Variation %	
	Dec15	Sept15	Dec14	Quarter	12M
Investment Funds	506,420	475,203	446,787	6.6	13.3
Managed Portfolios	37,694	37,129	34,672	1.5	8.7
Third-Party Fund Quotas	6,170	6,306	7,271	(2.2)	(15.1)
Total	550,284	518,638	488,730	6.1	12.6

Distribution	R\$ million			Variation %	
	Dec15	Sept15	Dec14	Quarter	12M
Investment Funds – Fixed Income	485,125	448,229	419,768	8.2	15.6
Investment Funds – Equities	21,295	26,974	27,019	(21.1)	(21.2)
Investment Funds – Third-Party Funds	3,923	4,453	5,316	(11.9)	(26.2)
Total - Investment Funds	510,343	479,656	452,103	6.4	12.9
Managed Portfolios - Fixed Income	32,797	30,876	26,542	6.2	23.6
Managed Portfolios – Equities	4,897	6,253	8,130	(21.7)	(39.8)
Managed Portfolios - Third-Party Funds	2,247	1,853	1,955	21.3	14.9
Total - Managed Funds	39,941	38,982	36,627	2.5	9.0
Total Fixed Income	517,922	479,105	446,310	8.1	16.0
Total Equities	26,192	33,227	35,149	(21.2)	(25.5)
Total Third-Party Funds	6,170	6,306	7,271	(2.2)	(15.1)
Overall Total	550,284	518,638	488,730	6.1	12.6

Cash Management Solutions (Payments and Collection)

In the fourth quarter of 2015, billing and collection income presented an increase of R\$10 million compared to the previous quarter, mainly due to the increase in the volume of business.

In the year-over-year comparison, the increase of 0.9%, or R\$18 million, was due to the greater volume of processed documents, up from 2,199 million in the year of 2014 to 2,217 million in the year of 2015, resulting an increase of 18 million of processed documents for the period.

- Economic and Financial Analysis Report – December 2015

Fee and Commission Income

Consortium Management

In the fourth quarter of 2015, income from consortium management increased by R\$8 million or 3.0% compared to the previous quarter, because of the sales made in that period. In December 2015, Bradesco had 1,194 thousand active quotas (1,154 thousand active quotas in September 2015), ensuring a leading position in all the segments in which it operates (real estate, auto and trucks/machinery and equipment).

In the comparison between the year of 2015 over the previous year, the 18.2% or R\$160 million increase in income from consortium management was mainly driven by: (i) a higher volume of received bids; (ii) the increase in the average ticket; and (iii) the increase in sales of new quotas, ranging from 1,062 thousand active quotas in December 2014, to 1,194 thousand active quotas in December 2015, an increase of 132 thousand net quotas.

Custody and Brokerage Services

In the fourth quarter of 2015, total earnings from custody and brokerage services presented a decrease of R\$5 million or 3.4% compared to the previous quarter. Such a trend basically resulted from the lower number of working days in the quarter.

In the year-over-year comparison, the increase of R\$37 million or 7.1%, in income from custody and brokerage services, reflected the increase in the average volume of assets under custody in the period.

Underwriting / Financial Advisory Services

The increase of R\$32 million, or 30.5% in the quarter-over-quarter comparison refers, mainly, to lower activity of the capital market in the third quarter of 2015.

In the year-over-year comparison, the reduction of R\$96 million or 15.1% refers, essentially, to the higher volume of business done in 2014, highlighting the Structured Operations and Project Finance.

It is important to note that variations recorded in this income derive from the volatile performance of the capital market.

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Economic and Financial Analysis**Personnel and Administrative Expenses**

Personnel and Administrative Expenses	R\$ million							
					Variation			
	12M14		12 months		Quarter			
	12M15	4Q15	3Q15	Amount	%	Amount	%	
Personnel Expenses								
Structural	11,983	11,186	3,159	3,118	797	7.1	41	1.3
Payroll/Social Charges	8,834	8,282	2,309	2,313	552	6.7	(4)	(0.2)
Benefits	3,149	2,904	850	805	245	8.4	45	5.6
Non-Structural	2,716	2,781	680	679	(65)	(2.3)	1	0.1
Management and Employee Profit Sharing	1,580	1,536	390	401	44	2.9	(11)	(2.7)
Provision for Labor Claims	705	793	187	167	(88)	(11.1)	20	12.0
Training	145	145	44	42	-	-	2	4.8
Termination Costs	286	307	59	69	(21)	(6.8)	(10)	(14.5)
Total	14,699	13,967	3,839	3,797	732	5.2	42	1.1
Administrative Expenses								
Outsourced Services	4,124	3,942	1,142	1,064	182	4.6	78	7.3
Depreciation and Amortization	2,121	1,906	559	538	215	11.3	21	3.9
Communication	1,653	1,524	416	425	129	8.5	(9)	(2.1)
Data Processing	1,600	1,342	465	405	258	19.2	60	14.8
Advertising and Marketing	1,064	934	406	318	130	13.9	88	27.7
Asset Maintenance	1,033	700	274	256	333	47.6	18	7.0
Rental	942	896	250	233	46	5.1	17	7.3
Financial System Services	835	774	228	214	61	7.9	14	6.5
Transportation	642	776	171	159	(134)	(17.3)	12	7.5
Security and Surveillance	609	559	156	154	50	8.9	2	1.3
Water, Electricity and Gas	345	237	96	84	108	45.6	12	14.3
Materials	336	342	86	86	(6)	(1.8)	-	-
Trips	168	156	44	52	12	7.7	(8)	(15.4)
Other	867	760	281	212	107	14.1	69	32.5
Total	16,339	14,848	4,574	4,200	1,491	10.0	374	8.9
Total Personnel and Administrative Expenses	31,038	28,815	8,413	7,997	2,223	7.7	416	5.2
Employees	92,861	95,520	92,861	93,696	(2,659)	(2.8)	(835)	(0.9)
Service Points ⁽¹⁾	65,851	75,176	65,851	71,738	(9,325)	(12.4)	(5,887)	(8.2)

(1) The reduction refers to (i) the migration of “External ATM Network Points – Bradesco” to “Banco24Horas Network”; (ii) the deactivation of ATMs from “Assisted Banco24Horas Network Points” and (iii) to the decrease of the Bradesco Expresso correspondents.

In the fourth quarter of 2015, total Personnel and Administrative Expenses amounted to R\$8,413 million, with growth of 5.2% or R\$416 million, in comparison with the previous quarter. In the year-over-year comparison, total Personnel and Administrative Expenses presented a growth of 7.7% or R\$2,223 million, a growth below the inflation index.

Personnel Expenses

In the fourth quarter of 2015, the increase of R\$42 million, or 1.1%, in comparison to the previous quarter is primarily composed by the structural portion variation, due to: (i) lower number of employees on vacation in the previous quarter; (ii) an increase in wage levels, according to the collective agreement.

- Economic and Financial Analysis Report – December 2015

Personnel and Administrative Expenses

Personnel Expenses

In the year-over-year comparison, the increase of R\$732 million, or 5.2%, was mainly due to the structural portion due to the increase in expenses with payroll, social charges and benefits, impacted by higher salaries, in accordance with the 2014 and 2015 collective agreements.

Bradesco _ _

Economic and Financial Analysis

Personnel and Administrative Expenses

Administrative Expenses

In the fourth quarter of 2015, the administrative expenses totaled R\$4,574 million, presenting an increase of R\$374 million, or 8.9%, compared to the previous quarter, mainly due to (i) the seasonal effect of higher expenses with advertising and marketing, due to the higher concentration of actions related to the Institutional Campaign and to support the offer of products and services, to the sum of R\$88 million; (ii) the growth in turnover and services occurred in the period, consequently, impacting in higher expenses with: (a) outsourced services, totaling R\$78 million; (b) data processing, to the sum of R\$60 million; and (c) financial system services, in the amount of R\$14 million; and higher expenses with: (iii) depreciation and amortization, to the sum of R\$21 million; and (iv) rental, in the amount of R\$17 million.

In the year-over-year comparison, the increase of 10.0% or R\$1,491 million, was due mainly to the increasing expenses with: (i) growth in business and services volumes in the period; (ii) contractual adjustments; and (iii) behavior of the dollar in the last 12 months, which reached 47.0% of recovery against the Brazilian real. It is important to stress the continuous control of operating expenses resulting from actions of the Efficiency Committee, whose efficiency initiatives resulted in a rebalance among personnel and administrative expenses.

Operating Coverage Ratio ⁽¹⁾

In the quarter, the coverage ratio over the last 12 months maintained its improvement with a 0.9 p.p. growth, mainly due to an increase in fee and commission income, combined with ongoing cost control efforts, including (a) the initiatives of our Efficiency Committee and (b) measures applied to increase the offer of products and services to the entire client base.

Tax Expenses

The increase of R\$320 million, or 24.1%, in tax expenses in the fourth quarter of 2015 in relation to the previous quarter, occurred, basically, due to the increase of the tax bases of PIS/Cofins, impacted, in part, by higher revenues generated by the receipt of interest on own capital from the companies of Organização Bradesco.

In the year-over-year comparison, such expenses increased R\$1,013 million, or 21.9%, basically due to the increase in expenses with PIS/Cofins/ISS, derived from the increase in taxable income, mainly, of the fee and commission income, net interest income and receipt of interest on own capital in the fourth quarter of 2015.

Equity in the earnings (losses) of affiliates

Equity in the earnings (losses) of affiliates presented, in the fourth quarter of 2015, an increase of R\$55 million compared to the previous quarter, and a reduction of R\$43 million or 23.0% in the

year-over-year comparison, basically due to the equity in the earnings (losses) obtained with the affiliated "IRB – Brasil Resseguros".

Bradesco _ _

Economic and Financial Analysis**Operating Income**

Operating income totaled R\$6,854 million in the fourth quarter of 2015, remaining stable in comparison to the previous quarter, in which the main variations are originated, mainly: (i) by the largest result with the financial margin, in the amount of R\$777 million; (ii) by the increase of revenue for the provision of services, in the amount of R\$217 million; (iii) by a higher operating result from Insurance, Pension Plans and Capitalization Bonds, net of variation of technical reserves, retained claims and others, amounting to R\$82 million; partially offset by: (iv) the increase in personnel and administrative expenses, in the amount of R\$416 million; (v) higher expenses with allowance for loan losses, in the amount of R\$340 million; and (vi) an increase in tax expenses in the amount of R\$320 million.

In the year-over-year comparison, the increase of R\$3,112 million or 12.9%, was mainly driven by: (i) the R\$7,092 million increase net interest income results; (ii) the increase in fees and commission income, totaling R\$2,750 million; (iii) the highest operating result of Insurance, Pension Plans and Capitalization Bonds, net of variation of technical reserves, retained claims and others; in the amount of R\$379 million; partially offset by (iv) higher expenses with allowance for loan losses, in the amount of R\$2,517 million; (v) an increase personnel and administrative expenses, in the amount of R\$2,223 million; (vi) an increase in other operating expenses (net, in other income), totaling R\$1,313 million; and (vii) higher tax expenses, totaling R\$1,013 million.

Non-Operating Income

In the fourth quarter of 2015, non-operating income posted a loss of R\$68 million, a decrease of R\$24 million as compared to the previous quarter, and an increase of R\$100 million in the comparison between 2015 and the previous year, essentially, due to greater non-operating expenses (such as losses on sale of foreclosed assets/other) in the period.

- Economic and Financial Analysis Report – December 2015

Return to Shareholders

Corporate Governance

Bradesco's Management is made up of the Board of Directors and the Statutory Board of Executive Officers. The Board of Directors is composed of eight members, being seven external members, including the Chairman (Mr. Lázaro de Mello Brandão), and one internal member (the Chief Executive Officer, Mr. Luiz Carlos Trabuco Cappi), who are eligible for re-election. The Board members, who elect the members of the Board of Executive Officers, are themselves elected at the Annual Shareholders' Meeting.

To advise in its activities, six (6) Committees report to Bradesco's Board of Directors, two (2) of which are Statutory Committees (Audit and Compensation) and four (4) of which are Non-Statutory Committees (Ethical Conduct, Internal Controls and Compliance, Integrated Risk Management and Capital Allocation and Sustainability). Several Executive Committees report to the Board of Executive Officers.

Investor Relations area – IR

The commitment to transparency, the democratization of information, punctuality and search for better practices are essential factors and are constantly reinforced by Bradesco's Investor Relations area.

In the fourth semester of 2015, there were 110 events promoted with national and international investors, through conferences, meetings, conference calls and institutional presentations, assisting over 4,258 investors.

In the last quarter, the schedule of events in Brazil also promoted 4 APIMEC Meetings held in the cities of Rio de Janeiro, Brasília, São Paulo and Fortaleza, comprising an audience of 779 participants. APIMEC São Paulo was broadcast live over the internet in Portuguese and English and also in Brazilian Sign Language (Libras), with the

In addition to the stated Audit Committee, Organização Bradesco counts on the permanent Fiscal Council, elected by the shareholders, and with Internal Audit, subordinate to the Board of Directors, as the main oversight agencies of its administrative/operational structure.

In 2001, the bank voluntarily adhered to Level 1 Corporate Governance of BM&FBovespa, as well as to the Code of Self-Regulation and Best Practices for Publicly Held Companies, issued by the Brazilian Association of Publicly Held Companies (ABRASCA), in 2011.

Further information is available on Bradesco's Investor Relations website (www.bradescori.com.br – Corporate Governance Section).

During 2015, there were 445 events promoted that assisted 8,490 investors⁽¹⁾.

In addition to the events, the Investor Relations area meets the demands of shareholders, analysts and investors in general by telephone and e-mail, on a daily basis.

participation of more than 2,800 internet users in total.

(1) Includes internet users.

- Economic and Financial Analysis Report – December 2015

Return to Shareholders**Sustainability****Corporate Sustainability Index (ISE)**

For the 11th consecutive year, Bradesco's shares have been listed on the ISE (Corporate Sustainability Index) of BMF&Bovespa.

The selection for the portfolio composition is made from a questionnaire answered by companies that have the 200 shares of highest liquidity on the Stock Exchange. The new portfolio will be composed of 40 shares from 35 companies.

The participation of Bradesco in this index reaffirms its commitment to the principles that govern corporate sustainability, like ethical and transparent conduct in all activities, the effectiveness of the risk management process and the adoption of action that considers the impact of the activities of the Organization and contributes towards the development of the business and of society.

13th Meeting of Suppliers

The 13th *Encontro Bradesco de Fornecedores* (Meeting of Suppliers) was held in December 2015, with the theme "Water Crisis", and the participation of 94 companies. The content of the event is available on the website www.fornecedoresbradesco.com.br.

Bradesco Shares**Number of Shares – Common and Preferred Shares**

	Dec15	Sept15	In thousands Dec14
Common Shares	2,520,695	2,520,695	2,100,738
Preferred Shares	2,508,781	2,509,297	2,094,652
Subtotal – Outstanding Shares	5,029,476	5,029,992	4,195,391
Treasury Shares	19,253	18,737	11,883
Total	5,048,729	5,048,729	4,207,274

In December 2015, Bradesco's Capital Stock stood at R\$43.1 billion, composed of 5,048,729 thousand shares, made up of 2,524,365 thousand common shares and 2,524,364 thousand preferred shares, as book entries and without par value.

Shareholders of Cidade de Deus Cia. Comercial de Participações belong to the Aguiar Family, Fundação Bradesco and another holding company, Nova Cidade de Deus Participações S.A., a company controlled by Fundação Bradesco and by the BBD Participações S.A., whose shareholders are the majority of the members of the Board of

Cidade de Deus Cia. Comercial de Participações is Bradesco's largest shareholder, which directly holds 48.5% of voting capital and 24.3% of total capital.

Directors of the Statutory Board of Executive Officers of Bradesco and more senior officers.

Bradesco __

Return to Shareholders**Bradesco Shares****Number of Shareholders – Domiciled in Brazil and Abroad**

	Dec15	%	Ownership of Capital (%)	Dec14	%	Ownership of Capital (%)
Individuals	331,423	90.0	21.7	321,387	89.6	21.8
Companies	35,895	9.7	45.5	35,926	10.0	45.3
Subtotal Domiciled in Brazil	367,318	99.7	67.2	357,313	99.7	67.1
Domiciled Abroad	1,139	0.3	32.8	1,209	0.3	32.9
Total	368,457	100.0	100.0	358,522	100.0	100.0

In December 2015 Bradesco had 368,457 shareholders, 367,318 residing in Brazil representing 99.7% of the total number of shareholders holders of 67.2% shares. The amount of shareholders residing abroad was 1,139, representing 0.3% of the number of shareholders of 32.8% total shares.

Average Daily Trading Volume of Shares

Bradesco shares are traded on BM&FBovespa São Paulo and its ADRs on the New York Stock Exchange NYSE.

In 2015, the average daily trading volume of our shares reached R\$647 million. This amount was 4.0% higher than the average daily trading volume in the previous year, mainly due to the trading of Bradesco ADRs on the NYSE.

Return to Shareholders**Bradesco Shares****Appreciation of Preferred Shares – BBDC4**

The graph shows the change in Bradesco's preferred shares, taking into account the reinvestment of dividends (it includes Interest on the Stockholders' Equity), compared to the Ibovespa. If, by late December 2005, R\$100 were invested, Bradesco's shares would be worth approximately R\$197 at the end of December 2015, which is a higher appreciation compared to that which was presented by Ibovespa within the same period.

Share and ADR Performance ⁽¹⁾

	In R\$ (unless otherwise stated)					
	4Q15	3Q15	Variation %	12M15	12M14	Variation %
Adjusted Net Income per Share	0.91	0.90	0.7	3.55	3.05	16.5
Dividends/Interest on Shareholders' Equity – Common Share (after Income Tax)	0.27	0.23	15.6	1.00	0.85	17.7
Dividends/Interest on Shareholders' Equity – Preferred Share (after Income Tax)	0.30	0.26	15.6	1.11	0.94	17.6

	In R\$ (unless otherwise stated)					
	Dec15	Sept15	Variation %	Dec15	Dec14	Variation %
Book Value per Common and Preferred Share	17.68	17.14	3.1	17.68	16.19	9.2
Last Trading Day Price – Common Shares	20.50	23.50	(12.8)	20.50	28.45	(27.9)
Last Trading Day Price – Preferred Shares	19.28	21.31	(9.5)	19.28	29.07	(33.7)
Last Trading Day Price – ADR ON (US\$)	5.22	6.18	(15.5)	5.22	10.78	(51.6)
Last Trading Day Price – ADR PN (US\$)	4.81	5.36	(10.3)	4.81	11.14	(56.8)
Market Capitalization (R\$ million) ⁽²⁾	100,044	113,288	(11.7)	100,044	145,536	(31.3)

(1) Adjusted for corporate events in the periods; and

(2) Number of shares (excluding treasury shares) vs. closing price for common and preferred shares on the last trading day of the period.

Bradesco __

Return to Shareholders

Bradesco Shares

Recommendation of Market Analysts – Target Price

Market analysts issue periodical recommendations on Bradesco preferred shares (BBDC4). In January 2016, we analyzed six reports prepared by these analysts.

Their recommendations and a general consensus on the target price for December 2016 can be found below:

Recommendations		Target Price in R\$ for Dec16	
%			
Buy	33.3	Average	27.9
Keep	50.0	Standard Deviation	2.2
Sell	16.7	Higher	30.8
Under Analysis	0.0	Lower	26.0

For more information on the target price and the recommendations of each market analyst that monitors the performance of Bradesco shares, go to our Shareholders Relationship website at: www.bradescori.com.br > Information to Shareholders > Analysts' Consensus.

Market Value

In December 2015, Bradesco's market value, considering the closing prices of Common and Preferred shares, was R\$100.0 billion, a decrease of 31.3% compared to December 2014, following the decreasing trend of the Ibovespa index, reflecting the economic outlook of 2015.

Main Indicators

Price/Earnings Ratio⁽¹⁾: indicates a possible number of years within which the investor would recover the capital invested, based on the closing prices of common and preferred shares.

Price/Book Ratio: indicates the multiple by which Bradesco's market capitalization exceeds its book value.

Dividend Yield^{(1) (2)}: the ratio between share price and dividends and/or interest on shareholders' equity paid to shareholders in the last 12 months, which indicates the return on investment represented by the allocation of net profit.

Bradesco __

Return to Shareholders**Dividends/Interest on Shareholders' Equity – JCP**

In 2015, R\$6,035 million was assigned to shareholders as interest on shareholders' equity (JCP) and dividends, and the total JCP and dividends assigned to shareholders accounted for 37.0% of the net profit for the fiscal year and, considering the income tax deduction and JCP assignments, it was equivalent to 32.2% of the net profit.

Weight on Main Stock Indexes

Bradesco shares are listed in Brazil's main stock indexes, including IBrX-50 and IBrX-100 (indexes that measure the total return of a theoretical portfolio composed of 50 and 100 shares, respectively, selected from among the most traded shares on BM&FBovespa), IBrA (Broad Brazil Index), IFNC (Financial Index, composed of banks, insurance companies and financial institutions), ISE (Corporate Sustainability Index), IGCX (Special Corporate Governance Stock Index), IGCT (Corporate Governance Trade Index), ITAG (Special Tag-Along Stock Index), ICO2 (index composed of shares of companies listed in the IBrX-50 index and that accepted taking part in this initiative by adopting transparent greenhouse gas emission practices) and the Mid-Large Cap Index – MLCX (which measures the return of a portfolio composed of the highest capitalization companies listed).

Abroad, Bradesco shares are listed on the Dow Jones Sustainability World Index of the NYSE, and on the FTSE Latibex Brazil Index of the Madrid Stock Exchange.

	Dec15	In % (1)
Ibovespa		8.4%
IBrX-50		8.7%
IBrX-100		7.6%
IBrA		7.4%
IFNC		18.6%
ISE		5.1%
IGCX		5.6%
IGCT		9.2%
ITAG		9.8%

ICO2	12.4%
MLCX	8.2%
(1) Represents the Bradesco shares' weight on Brazil's main stock indexes..	

Economic and Financial Analysis Report – December 2015

Additional Information**Market Share of Products and Services**

Market shares held by Bradesco in the Banking and Insurance industries and in the Customer Service Network are presented below.

	Dec15 9
Banks – Source : Brazilian Central Bank (Bacen)	
Demand Deposits	N/A
Savings Deposits	N/A
Time Deposits	N/A
Loan Operations	9.9 (1)
Loan Operations - Private Institutions	22.4 (1)
Loan Operations - Vehicles Individuals (CDC + Leasing)	13.3 (1)
Payroll-Deductible Loans	12.6 (1)
Number of Branches	20.0
Banks – Source : Social Security National Institute (INSS)/Dataprev	
Benefit Payment to Retirees and Pensioners	27.5
Banks – Source : Anbima	
Managed Investment Funds and Portfolios	19.4
Insurance, Pension Plans and Capitalization Bonds – Source: Insurance Superintendence (Susep) and National Supplementary Healthcare (ANS)	
Insurance, Pension Plan and Capitalization Bond Premiums	25.0 (3)
Insurance Premiums (including Long-Term Life Insurance - VGBL)	24.2 (3)
Life Insurance and Personal Accident Premiums	17.7 (3)
Auto/Basic Lines Insurance Premiums	9.7 (3)
Auto/Optional Third-Party Liability (RCF) Insurance Premiums	12.0 (3)
Health Insurance Premiums	49.0 (3)
Income from Pension Plan Contributions (excluding VGBL)	30.7 (3)
Capitalization Bond Income	26.0 (3)
Technical Reserves for Insurance, Pension Plans and Capitalization Bonds	26.6 (3)
Insurance and Pension Plans – Source: National Federation of Life and Pension Plans (Fenaprevi)	
Income from VGBL Premiums	27.1 (3)
Income from Unrestricted Benefits Generating Plans (PGBL) Contributions	26.9 (3)
Pension Plan Investment Portfolios (including VGBL)	29.5 (3)
Leasing – Source: Brazilian Association of Leasing Companies (ABEL)	
Lending Operations	17.9 (2)
Consortia – Source: Bacen	
Real Estate	29.0 (3)
Auto	28.6 (3)
Trucks, Tractors and Agricultural Implements	17.2 (3)
International Area – Source: Bacen	
Export Market	15.3
Import Market	12.2

- (1) SFN data is preliminary;
- (2) Reference Date: Oct/15; and
- (3) Reference Date: Nov/15.

N/A – Not available.

Economic and Financial Analysis Report – December 2015

Additional Information**Market Share of Products and Services****Branch Network**

Region	Dec15		Market Share	Dec14		Market Share
	Bradesco	Market		Bradesco	Market	
North	273	1,143	23.9%	276	1,129	24.4%
Northeast	846	3,581	23.6%	844	3,621	23.3%
Midwest	337	1,802	18.7%	345	1,819	19.0%
Southeast	2,319	11,738	19.8%	2,421	11,898	20.3%
South	732	4,255	17.2%	773	4,320	17.9%
Total	4,507	22,519	20.0%	4,659	22,787	20.4%

Reserve Requirements

%	Dec15	Sept15	Jun15	Mar15	Dec14	Sept14	Jun14	Mar14
Demand Deposits								
Rate ⁽¹⁾	45	45	45	45	45	45	45	44
Reserve Requirements ⁽³⁾	34	34	34	34	34	34	34	34
Reserve Requirements (Microfinance)	2	2	2	2	2	2	2	2
Free	19	19	19	19	19	19	19	20
Savings Deposits								
Rate ⁽⁴⁾	24.5	24.5	24.5	20	20	20	20	20
Additional ⁽²⁾	5.5	5.5	5.5	10	10	10	10	10
Reserve Requirements	65	65	65	65	65	65	65	65
Free	5	5	5	5	5	5	5	5
Time Deposits								
Rate ^{(2) (5)}	25	25	20	20	20	20	20	20
Additional ⁽²⁾	11	11	11	11	11	11	11	11
Free	64	64	69	69	69	69	69	69

(1) Collected in cash and not remunerated;

(2) Collected in cash with the Special Clearance and Custody System (Selic) rate;

(3) At Bradesco, reserve requirements are applied to Rural Loans;

(4) Collected in cash with the Reference Interest Rate (TR) + interest of 6.17% p.a. for deposits made until 05/03/2012, and TR + 70% of the Selic rate for deposits made as of May 4th, 2012, when the Selic rate is equal to or lower than 8.5% p.a.; and

(5) Amendment of the rate from the calculation period of August 31 to September 4, 2015, according to Circular No. 3,756/15 of the Central Bank.

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Additional Information**Investments in Infrastructure, Information Technology and Telecommunications**

Bradesco, whilst seeking to offer customers innovative products and services, invests in technology to enable new services strategies. Information Technology is the main means that enables the increasing facility, convenience to clients in all points of service and autonomy with the use of digital channels. We highlight:

- The new application Bradesco Net Empresa for cell phone (Net Empresa Celular), for Legal Entity clients, has a new look and allows, among other features, to deposit checks via image capture that eliminates the need to take the document to the Branch;
- The area of Capitalization of the Internet Banking has been completely redesigned. In addition to new services, such as online acquisition of shares, consultations of detailed statements and change in the debiting date, the page displays an optimized interface and easy navigation;
- Bradesco has launched a website for the retired, where they have access to products and services focused on their profile, and can check exclusive discounts on medicine, travel packages, tickets for shows and other cultural and leisure activities;
- A service was launched that allows clients to register accounts of beneficiaries and increase their limit of daily transfers by up to R\$30 thousand, directly by Internet Banking, without having to go to a Branch, by only using the Digital Validation;
- Bradesco clients can access their accounts using digital printing instead of the four-digit password. The technology, already available for Apple cell phones, is now also available on the Samsung cell phone, with the Android operating system *Fingerprint Scanner*, in the Bradesco, Bradesco Exclusive and Bradesco Prime Applications;
- We have developed, in partnership with the company Quero Quitar, a site where individual clients, of the Retail and Prime segments, have the possibility of settling their outstanding debts online;
- Maintaining the innovative spirit, we have started the second cycle of the open innovation program, known as inovaBRA, in partnership with startups, focused on creating new business models, products and services; and
- In pursuit of the process of continuous improvement and sustainability, Bradesco has adapted the internal processes obtaining a 25% reduction in the amount of printed documents and has enabled the environment on Private Cloud with benefits in energy efficiency, physical space and agility in fulfilling the projects.

As a prerequisite for its continuous expansion, Bradesco has invested R\$5,720 million in Infrastructure, Information Technology and Telecommunications in 2015. The total amount invested over recent years, including infrastructure (facilities, restorations, improvements, furniture and fixtures), can be found below.

	R\$ million				
	2015	2014	2013	2012	2011
Infrastructure	1,268	1,049	501	718	1,087
Information Technology and Telecommunications	4,452	3,949	4,341	3,690	3,241

Total	5,720	4,998	4,842	4,408	4,328
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- Economic and Financial Analysis Report – December 2015

Additional Information

Risk Management

Risk management activity is highly strategic due to the increasing complexity of services and products and the globalization of Bradesco's business. The dynamism of the market forces Bradesco to engage in the continuous improvement of this activity in pursuit of better practices, which has allowed Bradesco to use its internal market risk models, which were already in force, to calculate regulatory capital, since January 2013.

Bradesco controls corporative risk management in an integrated and independent manner, preserving and valuing the Board's decisions, developing and implementing methodologies, models, and measurement and control tools. It also provides training to employees from every level of the organization, from the business areas to the Board of Directors.

The management process allows the risks to be proactively identified, measured, mitigated, monitored and reported, which is necessary in view of Bradesco's complex financial products and activity profile.

Detailed information on the risk management process, Capital, as well as Bradesco's risk exposure, can be found in the Risk Management Report, available on the Investor Relations website: www.bradescori.com.br.

Capital Management

The Capital Management structure aims to providing conditions for capital monitoring and control, contributing to the achievement of goals set in the strategic objectives defined by Bradesco, through an adequate capital sufficiency planning. This structure is comprised of Executive Committees and one Non-Statutory Committee, which assist the Board of Directors and Board of Executive Officers in the decision-making process.

In addition to the Committee structure, Bradesco has a department responsible for the capital management centralization, named Capital Management and Internal Capital Adequacy Assessment Process (ICAAP), subordinated to the Department of Planning, Budget and Control, which acts jointly with the Integrated Risk Control Department, associated companies, business areas and the Bradesco's supporting areas.

With the implementation of the capital management structure, an internal process has been established to assess capital adequacy (ICAAP), which provides conditions to assess capital sufficiency in accordance with the base and stress scenarios, in a prospective outlook to identify capital and contingency actions to be taken in the respective scenarios. Capital adequacy and sufficiency information represent essential tools to manage and support the decision-making process.

Additional information on the capital management structure is available in the Risk Management Report – Pillar 3, and in the Annual Report, on the Investor Relations website: www.bradescori.com.br.

The capital plan is devised on an annual basis and approved by the Board of Executive Officers and Board of Directors. It is also aligned with the strategic plan and encompasses a prospective outlook of at least three years. The process of developing this plan considers threats and opportunities, market share and development goals, capital requirement projections based on risks, as well as capital held by Bradesco. Such projections are constantly monitored and controlled by the capital management area.

Bradesco __

Additional Information**Basel Ratio**

In December 2015, the Capital of the Prudential Consolidated reached the amount of R\$102,825 million, compared to assets weighted by the risk of R\$612,217million. The total Basel ratio, in the Prudential Consolidated, presented an increase of 2.3 p.p., from 14.5% in September 2015, to 16.8% in December 2015, and the Principal Capital from 11.4% in September 2015 to 12.7% in December 2015, impacted, basically due to: (i) the increase of Shareholder's Equity, due to the increment of the results in the quarter; (ii) the decrease of prudential adjustments, which decreased from R\$12,656 million in September 2015 to R\$11,400 million in December 2015, impacted, basically, by the decrease of the tax credits arising from temporary differences of tax losses and negative basis of social contribution; and (iii) decrease of assets weighted by the credit and market risk.

Additionally, it is important to stress that in the fourth quarter of 2015, Central Bank authorized the use of Subordinated Letters of Credit to compose Tier II, the amount of which restated on December 31, 2015 reached R\$5,805 million.

Calculation Basis	Basel III							
	Prudential Consolidated ⁽¹⁾				Financial Consolidated			
	Dec15	Sept15	Jun15	Mar15	Dec14	Sept14	Jun14	Mar14
Capital	102,825	93,090	97,016	93,608	98,605	95,825	94,090	92,235
Tier I	77,507	73,577	77,503	74,095	77,199	74,127	71,892	69,934
Common Equity	77,507	73,577	77,503	74,095	77,199	74,127	71,892	69,934
Shareholders' Equity	88,907	86,233	86,972	83,937	81,508	79,242	76,800	73,326
Prudential Adjustments provided for in CMN Resolution 4,192/13 ⁽²⁾	(11,400)	(12,656)	(9,469)	(9,842)	(4,309)	(5,115)	(4,908)	(3,392)
Tier II	25,318	19,513	19,513	19,513	21,406	21,698	22,198	22,301
Subordinated debt (before CMN Resolution n° 4,192/13)	19,513	19,513	19,513	19,513	21,406	21,698	22,198	22,301
Subordinated debt (according to CMN Resolution n° 4,192/13) ⁽³⁾	5,805	-	-	-	-	-	-	-
Risk-Weighted Assets (RWA)	612,217	643,924	607,226	614,577	597,213	588,752	596,457	585,991
Credit Risk	556,441	585,507	552,852	557,018	544,798	534,165	548,600	534,885
Operating Risk	37,107	37,107	39,117	39,117	30,980	30,980	29,853	29,853
Market Risk	18,670	21,310	15,257	18,442	21,435	23,607	18,004	21,253
Total Ratio	16.8%	14.5%	16.0%	15.2%	16.5%	16.3%	15.8%	15.7%
Tier I Capital	12.7%	11.4%	12.8%	12.1%	12.9%	12.6%	12.1%	11.9%

R\$million

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Common Equity	12.7%	11.4%	12.8%	12.1%	12.9%	12.6%	12.1%	11.9%
Tier II Capital	4.1%	3.0%	3.2%	3.1%	3.6%	3.7%	3.7%	3.8%
Subordinated debt (before CMN Resolution n° 4,192/13)	3.2%	3.0%	3.2%	3.1%	3.6%	3.7%	3.7%	3.8%
Subordinated debt (according to CMN Resolution n° 4,192/13) ⁽³⁾	0.9%	-	-	-	-	-	-	-

(1) From October 2013, the Capital started being calculated based on CMN Resolution No. 4,192/13, which establishes that the determination is done based on the Consolidated Financial Results until December 2014 and the Prudential Consolidated Results as per January 2015;

(2) Criteria used, as of October 2013 by CMN Resolution No. 4,192/13 (including subsequent amendment); and

(3) In December 2015, the Central Bank authorized the use of Subordinated Letters of Credit to compose Tier II.

Economic and Financial Analysis Report – December 2015

Independent Auditors' Report

Independent Reasonable Assurance Report on the Supplementary Accounting information included within the Economic and Financial Analysis Report

To

The Directors of

Banco Bradesco S.A.

Osasco – SP

We were engaged by Banco Bradesco S.A. ("Bradesco") to report on the supplementary accounting information of Banco Bradesco S.A. for the year ended as at December 31, 2015 in the form of reasonable assurance conclusion that based on our work, described within this report, the supplementary accounting information included within the Economic and Financial Analysis Report is presented, in all material respects, based on the information referred to in the "Criteria for preparing the supplementary accounting information" paragraph.

Responsibilities of the Management of Bradesco

Management is responsible for preparing and adequately presenting the supplementary accounting information included within the Economic and Financial Analysis Report based on the criteria for the preparation of the supplementary accounting information described below, and for other information contained within this report, as well as the design, implementation and maintenance of internal controls that management determines are necessary to allow for such information that is free from material misstatement, whether due to fraud or error.

Independent Auditor's Responsibility

Our responsibility is to examine the supplementary accounting information included within the Economic and Financial Analysis Report prepared by Bradesco and to report thereon in the form of a reasonable assurance conclusion based on the evidence obtained. We conducted our engagement in accordance with the NBC TO 3000 - Assurance Engagement Other than Audit and Review (ISAE 3000). That standard requires that we comply with ethical requirements, including independence requirements, and plan and perform our procedures to obtain a reasonable assurance about whether the supplementary accounting information included within the Economic and Financial Analysis Report is presented, in all material respects, to the information referred to in the “Criteria for preparing the supplementary accounting information” paragraph.

The procedures selected were based on our judgement, including the assessment of risks os material misstatement in the supplementary accounting information of Banco Bradesco S.A. whether due to fraud or error, however, this does not include the search and identification of fraud or error.

In making those risk assessments, we have considered internal controls relevant to the preparation and presentation of supplementary accounting information in order to design assurance procedures that are appropriate in the circumstances, but not for the purposes of expressing a conclusion as to the effectiveness of Bradesco’s internal control over the preparation and presentation of the supplementary accounting information. Our engagement also includes the assessment of the appropriateness of the reasonableness of the supplementary accounting information within the Economic and Financial Analysis Report in the circumstances of the engagement, evaluating the appropriateness of the procedures used in the preparation of the supplementary accounting information and the reasobleness of estimates made by Bradesco and evaluating the overall presentation of the supplementary accounting information. Reasonable assurance is less than absolute assurance.

Our conclusion does not contemplate aspects related to any prospective information contained within the Economic and Financial Analysis Report, nor offers any guarantee if the assumptions used by Management to provide a reasonable basis for the projections presented. Therefore, our report does not offer any type of assurance on the scope of future information (such as goals, expectations and ambitions) and descriptive information that is subject to subjective assessment.

Independent Reasonable Assurance Report on the Supplementary Accounting information included within the Economic and Financial Analysis Report

Criteria for preparing the supplementary accounting information

The supplementary accounting information disclosed within the Economic and Financial Analysis Report, for the year ended December 31, 2015 has been prepared by the Management of Bradesco, based on the information contained in the consolidated financial statements on December 31, 2015 and the accounting criteria described within the Economic and Financial Analysis Report, in order to facilitate additional analysis, without, however, being part of the consolidated financial statements disclosed on that date.

Conclusion

Our conclusion has been formed on the basis of, and is limited to the matters outlined in this report.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion. In our opinion, the supplementary accounting information included within the Economic and Financial Analysis Information Report is presented, in all material respects, in accordance with the information referred to in the "Criteria for preparing the supplementary accounting information" paragraph.

Osasco, January 27, 2016

Original report in Portuguese signed by

KPMG Auditores Independentes

CRC 2SP028567/O-1 F-SP

Cláudio Rogélio Sertório

Accountant CRC 1SP212059/O-0

Bradesco _ _

Independent Auditors' Report

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Report on Economic and Financial Analysis – December 2015

Consolidated Financial Statements, Independent Auditors' Report, Audit Committee Report Summary and Fiscal Council's Report

Management Report

Dear Shareholders,

2015 was to Bradesco a year of achievements and advances, which become all the more valuable taking into account the environment of uncertainty, in a context of decelerated economy, decreasing GDP and persistent inflation. We have been successful and we are convinced that the financial activity is fundamental for the country to return to the path of growth.

Bradesco, since it was founded 72 years ago, has held an ongoing relationship with society, driven by the vocation of the pioneering spirit and determination to be contemporary at all times. From any angle assessed, the democratization of banking products and services has been a constant. The culture of quality, intersection point of all initiatives, contributed to the evolution of the technological structure, associated to the technical and professional improvement of the staff, pillars that distinguish us in the financial market.

Among the events of major relevance in 2015, we highlight the signature for the Purchase of Shares Agreement with HSBC Latin America Holdings (UK) Limited for the acquisition of 100% of the share capital of HSBC in Brazil. The operation, which is subject to the approval of the competent regulatory agencies, reaffirms the objectives of Bradesco to strengthen its presence and activity in the market.

With the feeling of overcoming adversity and recognition, we wish to thank our clients and shareholders, for their trust, support and preference; to the directors, employees and other collaborators, for their effort, dedication and commitment to the Organization's strategies, determinants for the results obtained.

Cidade de Deus, January 27, 2016

Lázaro de Mello Brandão

President of the Board of Directors

The good performance of the year is synthesized in the results obtained: the Net Profit reached the total of R\$17.190 billion, highlighting to shareholders, as Dividends and Interest on Own Capital, the amount of R\$6.035 billion, corresponding to 32.3% of the adjusted profit. In these results, the participation of Grupo Bradesco Seguros with 30.8%, was significant. Total Assets reached R\$1.019 trillion, a growth of 10.0% in relation to the previous year, the Equity totaled R\$88.907 billion and the Operational Efficiency Index reached 37.5%, with considerable improvement compared to the 39.2% registered in 2014.

In the context of corporate sustainability, the Organização Bradesco maintains its commitment in the constant search of integrating its principles to its strategic planning. In the social area, Fundação Bradesco deserves special attention, one of the largest private social and educational programs in Brazil, with 40 schools installed in priority regions of accentuated socioeconomic deprivation, promoting free basic and quality education, strengthening ethical values and civic-mindedness.

With renewed optimism in facing future challenges, Bradesco reiterates its positive vision in relation to Brazil. The planning of the Organization has solid foundations, proven in the scale already achieved, its great diversification in terms of products and services, robust financial and equity situation, one of the largest networks of customer service in Brazil, compatible presence abroad, use of the best corporate governance practices and qualified internal structure, in terms of experience and operational efficiency, to respond to the demands of sustained growth.

Consolidated Financial Statements and Independent Auditors' Report

Management Report

We hereby present the Consolidated Financial Statements of Banco Bradesco S.A related to the year ended December 31, 2015, in accordance with the accounting practices adopted in Brazil and applicable to institutions authorized to operate by the Brazilian Central Bank.

Organização Bradesco, with solid activity focused on the interests of its clients and shareholders, always committed to the economic and social growth of Brazil, develops its activities with the highest levels of efficiency and transparency, seeking to democratize the banking services, apply the most efficient practices of Corporate Governance and achieve the best results. Among the important events of the year are the following:

- **on July 6, the signature of the partnership with FCA Fiat Chrysler Automóveis Brasil and Banco Fidis, through Bradesco Financiamentos,** for a period of ten years, to finance the sales of vehicles of the brands Jeep, Chrysler, Dodge and Ram in Brazil;
- **on August 3, the disclosure of the signature of the Purchase of Shares Agreement with HSBC Latin America Holdings (UK) Limited for the acquisition of 100% of the share capital of HSBC Bank Brasil S.A. – Banco Múltiplo and HSBC Serviços e Participações Ltda., with the consequent take over of all operations of HSBC in Brazil, whose decision was ratified at the Extraordinary General Meeting on December 17, 2015.** Subject to the approval of the competent regulatory bodies, the operation reaffirms the goals of Bradesco to strengthen its presence and activity in the market, thus increasing gains in efficiency and scale;

- **since September, Bradesco Clients can withdraw cash and check their balance without the use of the card, in the whole Banco24Horas network, in addition to Rede Bradesco (Service Network),** upon biometric authentication, by the palm of the hand; and

- **In January 2016, Bradesco signed a non-binding Memorandum of Understanding with Banco do Brasil S.A., Banco Santander (Brasil) S.A., Caixa Econômica Federal and Itaú Unibanco S.A.,** in order to create a holding company of credit intelligence ("GIC"), which will develop a database with the goal of adding, reconciling and handling database and credit-related information, of individuals and legal entities, which expressly authorize their inclusion in the database, as required by the applicable rules.

Economic Comment

In 2015, the world economic scenario was marked by the divergence between the growth trajectory of the developed countries, in particular the US, and the emerging economies, particularly China. This behavior may be repeated in 2016, maintaining the high volatility of international markets. On one side, the resumption of the North American GDP has been contributing towards the strengthening of the dollar against other currencies. On the other, China must maintain the current path of deceleration, sustaining the pressure on the prices of commodities.

In this context, Brazil has been able to obtain success in some important dimensions of the macroeconomic adjustment in progress. The devaluation of the exchange rate has led to the

- **on August 6, the launch of the Espaço Bradesco Next Móvel at Shopping Iguatemi, in São Paulo; later, on October 8 and 30, in Morumbi Shopping and Shopping Park São Caetano, respectively.** The objective of this new configuration, itinerant in form, will mark our presence in different localities, taking to the public the experience of the latest technologies and innovations, as well as expanding the conquest of new business;
- **on August 31, the inauguration of the new premises of Grupo Bradesco Seguros in Alphaville – São Paulo,** with a modern and sustainable architectural structure, where it will centralize the operations of all its segments. The integration extends further the synergy between the areas, generating gains in productivity and quality, in addition to improving assistance to the Branches and to the clients;
- **on September 14, for the 10th consecutive year, Bradesco was selected to integrate the Dow Jones Sustainability Index – DJSI,** of the New York Stock Exchange, in the Dow Jones Sustainability World Index and Dow Jones Sustainability Emerging Markets portfolios. The DJSI is composed of actions of a select list of companies of the whole world with best practices for sustainable development;

reduction of the deficit in current transactions, while the realignment of administered prices and the tightening of monetary conditions should enable the convergence of inflation to the center of the target in the coming years. However, even though the fiscal policy has presented signs of progress, economic activity follows weakened, making it hard to achieve the necessary targets for the stabilization of the public debt as a proportion of the GDP.

This phase of rebalancing gains importance to lay the foundations for a more sustained economic growth ahead. In addition, short-term challenges must also create the conditions for the proposition of a reform agenda that broadens the dynamism of the Brazilian economy. Thus, Bradesco reinforces its favorable expectations in relation to the country, particularly in the segments in which it operates.

Bradesco

Consolidated Financial Statements, Independent Auditors' Report, Audit Committee Report Summary and Fiscal Council's Report

Management Report

1. Income of the Financial Year

The strategies outlined for the financial year of 2015 were conducted within the expectations, proven by the good results achieved and by the remuneration to shareholders. A detailed analysis of these figures, regarding the origin and evolution, is available in the Report on Economic and Financial Analysis, on the site bradesco.com.br/ri.

R\$17.190 billion was the Book Net Profit for the year, 13.9% higher in comparison to the same period of 2014, equivalent to R\$3.40 per share and profitability of 20.1% over the average Shareholders' Equity(*). The return on Average Total Assets was 1.7%.

R\$6.035 billion were destined to the shareholders as Interest on Own Capital, monthly, intermediary and complementary, and Dividends, computed in the calculation of the mandatory dividends. Thus, R\$1.27 (R\$1.11 net of withheld Income Tax) were assigned, which include the additional 10% for each preferred share, and R\$1.15 (R\$1.00 net of withheld Income Tax) for each common share. The interest and dividends distributed represent 32.3% (net of withheld Income Tax 37.0%) of the adjusted profit for the financial year.

Taxes and Contributions

Bradesco, in the financial year, has collected a significant portion of its results to the public coffers, in direct proportion to the volume of activities it develops.

2. Business Strategy

Bradesco, in the national market, maintains the objective of expanding the already prominent position it occupies among the private financial institutions and ensuring its leadership in the insurance industry. In this context, it will maintain the incentive in investments and in the democratization of credit, expanding the supply of products, services and solutions, promoting, as a first priority, the bank inclusion and social mobility, by means of its extensive Service Network, present in all regions of the country, which includes Branches, Customer-site Branches, Bradesco Espresso Correspondents, ATM equipment, and also through the Convenience Channels, such as the Internet Banking, Bradesco Celular (Cell Phone service) and Fone Fácil (Telephone service).

In the financial area, under the perspective of a strict monetary policy, the Bank will continue pursuing the growth of the credit portfolio, with emphasis on real estate credit, consumer credit and payroll-based loans, in addition to the strong performance in open supplementary pension plan and in the expansion of the services offered to the growing economically active population. For such, it will follow adopting effective security criteria that include the rigorous evaluation of procedures of concession and efficient daily collection of overdue amounts, through the Program for Recovery of Overdue Credits - PRCV. The strategic focus on secure dissemination and on business results, which are the examples of the investment bank, corporate, private banking and the management of third party resources, in addition to

R\$13.362 billion totaled taxes and own contributions, including pensions, paid or provisioned.

R\$12.401 billion totaled the taxes withheld and collected from third parties, equivalent to the financial mediation.

In the aggregate, in the Organization, the resources originated or transacted came to the expressive amount of R\$25.763 billion.

Operational Efficiency Index – IEO

In the accrued for 12 months, the Operational Efficiency Index – IEO presented an improvement from 39.2% on December 31, 2014, to 37.5% in December 2015, which is due in part to the control of administrative expenditure and to the ongoing effort to increase the revenue.

the investments in the market of cards, consortia, insurance, social security and capitalization, equally relevant, will remain active in the Organization.

With presence in strategic centers, such as New York and London, Bradesco offers support to Brazilian companies in their needs abroad, as well as to investors and foreign companies interested in Brazil. Bradesco Securities of New York, London and Hong Kong are fundamental to capture resources and distribute securities in these financial centers, as well as Banco Bradesco Europa, in Luxembourg and in London, with services of financing for corporate and private banking clients.

The continuous pursuit of growth requires substantial investment in Infrastructure, Information Technology and in the area of Human Resources, essential pillars for the banking market. In this sense, R\$5.720 billion were invested to innovate, update and maintain the IT environment, which is highlighted in the market, with the best practices and existing technologies, and investments of R\$145.135 million in training programs to members of staff, valuing motivation, innovation and focus on the client.

The respect to the consumer, the socio-environmental responsibility, safety and credibility are embedded in Bradesco's corporate culture. Three vectors of greater amplitude underlay the strategic planning:

Consolidated Financial Statements and Independent Auditors' Report

Management Report

- a) growing organically, without losing sight of the possibilities of acquisitions, associations and partnerships, as long as they are committed to providing quality of service, safety of products, solutions and services, and the effective improvement of the indexes of operational and financial efficiency;
- b) maintaining strict controls to identify, evaluate and mitigate risks inherent to the activities, as well as define the acceptable levels in each operation; and
- c) conducting business with total transparency, ethics and adequate remuneration to investors.

3. Capital, Reserves and Subordinated Debt

In relation to Banco Bradesco, at the close of the financial year:

R\$43.100 billion was the Share Capital subscribed and paid in;

R\$45.807 billion was the total of the Equity Reserves; and

R\$88.907 billion was the Shareholders' Equity, with a growth of 9.1% in the year. In relation to Consolidated Assets, that add up to R\$1.019 trillion, the Shareholders' Equity Managed equals 8.8%. The Equity Value per share was R\$17.68.

In the Extraordinary General Meeting held on December 17, 2015, a decision was made to increase the Capital Share of the Bank by R\$3 billion, raising it from R\$43.100 billion to R\$46.100 billion, through the issue of 164,769,488 new,

The Subordinated Debt, at the end of the financial year, added up to R\$50.283 billion (Abroad, R\$13.714 billion and in Brazil, R\$36.569 billion), of which R\$25.318 billion were considered eligible for the capital and have incorporated the tier II of the Equity Reference, being contemplated in determining the indexes recorded in the previous paragraph.

Bonds classified in the Category Held to Maturity

In compliance with Article 8 of Brazilian Central Bank Circular Letter No. 3,068/01, Bradesco declares that it has the financial capacity and the intention of holding to maturity those securities classified under "held-to-maturity securities". Also declares that the operations of Banco Bradesco S.A., its subsidiary, have been adapted to the defined strategic objectives in the Business Plan, in accordance with Article 11 of Regulation Annex I to the Resolution No. 4,122/12, of the National Monetary Council.

Capital Management

The assessment of the sufficiency of capital is performed to ensure that the Organization maintains adequate levels of capital to support and assist the development of its activities and to deal with the risks incurred, considering the defined strategic objectives. It adopts a prospective vision, which aims to anticipate possible changes in market conditions. This capital management structure is comprised by Committees which support the Board of Directors and Board of Executive Officers in any decision that is made.

nominative book-entry shares, with no par value, in which 82,571,414 were common shares and 82,198,074 were preferred shares, at the price of R\$19.20 per common share and R\$17.21 per preferred share, for private subscription by the shareholders in the period from January 4 to February 5, 2016, in the proportion of 3.275740457% on the shareholder position that each one had on the date of the Meeting (December 17, 2015), paid-in in cash, on March 1, 2016, of 100% of the value of the shares subscribed, the same date on which the Complementary Interest on Own Capital will also be paid to shareholders in sufficient amount for the subscription. The increase of Capital Share will be submitted to the Meeting for approval and the consequent amendment of the Bylaws to the approval of the Brazilian Central Bank. The new capital share will be distributed as follows: 5,213,498,335 nominative book-entry shares, with no par value, in which 2,606,935,969 are common shares and 2,606,562,366 are preferred shares.

The index of solvency was 16.8%, higher, therefore, than the minimum of 11% established by Resolution No. 4,193/13 of the National Monetary Council, in compliance with the Basel Committee. Regarding the Reference Equity, the immobilization index reached 35.2% in the Prudential Consolidated, therefore within the maximum limit of 50% set forth by the Brazilian Central Bank.

4. Operational Performance

4.1. Capture and Administration of Resources

In the end of the year, the funds obtained totaled R\$1.371 trillion, 9.0% higher than the previous year. In all, the Bank manages 26.027 million current account holders, 60.086 million savings accounts with a balance of R\$91.879 billion, representing 18.0% of the SBPE –*Sistema Brasileiro de Poupança e Empréstimo* (Brazilian Loans and Savings System).

R\$418.062 billion in Demand Deposits, Time Deposits, Interbank Deposits, Savings Accounts and Securities Sold Under Agreements to Repurchase.

R\$550.284 billion in assets under management, comprising Investment Funds, Managed Portfolios and Third-Party Fund Quotas, a 12.6% increase.

R\$181.075 billion in the Exchange Portfolio, Borrowings and On-lendings in Brazil, Working Capital, Tax Payments and Collection and Related Charges, Funds From Issuance of Securities in Brazil, and Subordinated Debt in Brazil.

Bradesco

Consolidated Financial Statements, Independent Auditors' Report, Audit Committee Report Summary and Fiscal Council's Report

Management Report

R\$177.835 billion in Technical Reserves for Insurance, Pension Plans and Capitalization Bonds, up by 16.0%.

R\$43.865 billion in Foreign Funding, through public and private issues, Subordinated Debt Overseas, Securitization of Future Financial Flows and Borrowings and On-lendings Overseas, equivalent to US\$11.234 billion. Of this amount, we highlight the capture in the total value of US\$375 million with the International Finance Corp (IFC), of which US\$150 million come from the IFC itself and US\$225 million from a group of Banks, whereby the resources are destined for loans to small and medium sized enterprises.

4.2. Credit Operations

The challenging scenario for the credit market makes Bradesco maintain its policy always updated and commensurate with the current moment of economy, preserving the expansion and diversification of the offer, that covers the Branch Network, Banking Correspondents and Digital Channels. These differentials have contributed to the achievement of loans or direct financing or of strategic partnerships with the various business chains.

R\$473.600 billion was the balance at the end of the year, of consolidated credit operations, in the expanded concept, which includes Sureties and Guarantees, Letters of Credit, Anticipation of Credit Card Receivables, Debentures, Promissory Notes, Credit Rights Investment Funds, Certificates of Real Estate Receivables and Rural Credit, with an evolution of 4.2% in the period.

Payroll-deductible loans

Among the modalities of Consumer Credit, the Consigned Credit is one of the most representative in the credit portfolio for individuals in Bradesco, which operates strategically in two channels of offer: the internal, composed by the Branch Network, and the external, through Bradesco Promotora and its partner Banking Correspondents.

In these channels, the target audiences for the offer of consigned credit are retirees and pensioners of the INSS, public servants and employees of companies who have their accredited payroll with Bradesco.

R\$34.061 billion was the balance of the Portfolio at the closing of 2015, with 9,185,159 active contracts.

Real Estate Credit

Bradesco maintains its commitment to meet the demands of the real estate sector, by financing the construction entrepreneurs and final borrowers, through the segmented channels, thus contributing to the growth of its activities in the civil construction industry, generator of ties with the socioeconomic development and the creation of jobs and income. The reflex in the Real Estate Credit portfolio is shown by the continuous growth of the volume of transactions made.

R\$40.479 billion was the balance of the Real Estate Credit Portfolio, whereby R\$21.826 billion was intended for Individuals and R\$18.653 billion for Legal Entities, and a total of 117,159 units financed.

R\$29.417 billion was the consolidated balance of provision for doubtful debtors, considering an additional provision of R\$6.409 billion, which includes provision for guarantees provided, above the required by Resolution No. 2,682/99, of the National Monetary Council.

Consumer Credit

With its diversified portfolio for the Consumer Credit, Bradesco contributes to the growth of small, medium and large businesses, by financing the acquisition of goods produced and offered by various production chains. Between the Lines of Credit to meet this demand, we highlight Personal Credit and the Financing of Vehicles, Goods and Services.

R\$100.047 billion was the balance of operations designated to the consumer credit.

On the site bradescoimoveis.com.br the products available, partnerships firmed with real estate companies, among other information, can be consulted.

Agribusiness

Bradesco is the largest private bank in Assets in Agribusiness, with strong presence in the productive chain, offering solutions for the development of production, processing and marketing of agricultural products. Maintains agreements with the main manufacturers of machinery and equipment in the country, contributing to the expansion of business and growth in productivity.

R\$20.843 billion was the balance of investments at the end of the financial year.

More information relating to the agribusiness, credit products and services can be obtained on the website bradescorural.com.br.

Consolidated Financial Statements and Independent Auditors' Report

Management Report

Transfer Operations

Bradesco acts as one of the main transferors of resources of BNDES, focused on releases to micro, small and medium enterprises, with a volume of funding in these segments of R\$5.396 billion, equivalent to 11.2% of participation in operations. Considering the disbursement for all segments, including large companies, the total volume was R\$3.609 billion, corresponding to 13.2% of the entire System (basis: September/2015).

R\$31.593 billion amounted to the balance of transfer portfolios, with 345,570 contracts registered.

R\$12.109 billion was the total of Sureties provided to BNDES, with R\$3.501 billion contracted in the year.

Credit Policy

The Credit Policy aims at guiding the rapid implementation of diversified and pulverized business, sustained by appropriate guarantees and intended for people and legitimate companies and of proven solvency. Performed quickly and with security, these operations do not lose sight of the adequate profitability and liquidity of the assets applied.

Specialized systems for Credit Scoring allow the speediness and backing of the decision-making process with specific standards of safety in the environment of the Branches. The Credit Department and the Executive Committee of Credit, installed in the Head Office, are responsible for the

5. International Area

Abroad, the Organização Bradesco offers an extensive line of products and services by means of own units in New York, London, Grand Cayman, Buenos Aires, Hong Kong, Luxembourg and Mexico, in addition to an extensive network of international correspondents. The units of Bradesco Securities, in New York, London and Hong Kong, Banco Bradesco Europa, in Luxembourg, Banco Bradesco Argentina, in Buenos Aires, Bradescard Mexico, besides the 28 specialized units in Brazil, adequately meet the demands of these strategic markets.

R\$7.647 billion was the balance in Advances on Exchange Contracts, for an Export Financing portfolio of US\$10.845 billion.

US\$3.681 billion was equivalent to the total in Import Finance in Foreign Currency.

US\$28.225 billion traded in Export Purchases, with a market share of 15.3%.

US\$18.973 billion in Import contracted, with a market share of 12.2%.

US\$8.672 billion in public and private placements, of medium and long-term, in the international market.

6. Bradesco Shares

Bradesco's Shares remained present, with a high level of liquidity, in all the trading sessions of

decisions about loans that exceed the levels of authority of the Branches.

Quality of the Credit Portfolio

At the end of 2015, in comparison to the previous year, the maintenance of the quality of credits of the new borrowers was observed, especially because of the constant improvement of the models and policies of concession and monitoring, besides the option for more secure credit modalities, such as consigned credit and housing credit.

4.3. Collection and Loan Recovery

Actions are promoted for collection and loan recovery, via Call Center, Friendly Collection Consultancies and Offices of Judicial Recovery. The Program for Recovery of Overdue Credits – PRCV contemplates several initiatives to stimulate the receipt of credits overdue, among them the promotion of local events called Business Rooms. The Bank also counts on regional teams specialized in the recovery of loans and that act, customized in the more expressive cases.

R\$4.164 billion in loans were recovered, 5.6% higher than in the previous year.

BM&FBOVESPA S.A. - Stock Exchange, Commodities and Futures. At the end of 2015, according to the new methodology for calculation, they represented 8.8% of the Ibovespa index. Also traded abroad, on the New York Stock Exchange, by means of ADR –American Depositary Receipts – Tier 2, and on the Stock Exchange of Madrid, Spain, which integrate the Latibex Index.

To shareholders, as minimum mandatory dividend, is guaranteed 30% of the adjusted net profit, in addition to the Tag Along of 100% for the common shares and 80% for the preferred shares. Also, granted to the preferred shares are dividends 10% higher than those given to the common shares.

R\$78.766 billion was the amount negotiated in Bradesco Shares during the year, on BM&FBOVESPA, composed of 382.579 million common shares and 2.559 billion preferred shares.

US\$24.706 billion were negotiated as ADRs, in the North American market (New York Stock Exchange - NYSE), equivalent to 3.128 billion preferred shares and 894.561 million common shares.

Bradesco

Consolidated Financial Statements, Independent Auditors' Report, Audit Committee Report Summary and Fiscal Council's Report

Management Report

EUR13.588 million were negotiated as DRs, on the European market (Latibex – Madrid), equivalent to 1.949 million preferred shares.

7. Segmentation of the Market

The strategy of segmentation in Bradesco gathers groups of clients with the same profile, with differentiated service and increasing gains of productivity at a faster pace. In addition to improving the quality of the relationship with the client and giving the Bank greater flexibility and competitiveness in running the business, it also adjusts and dimensions the operations, to individuals or legal entities, based on the particular needs of each customer.

7.1. Bradesco Corporate

Offers specialized services to large economic groups, with an annual revenue of more than R\$250 million. The principle of long-term relationship is an important differential, because it creates the best solutions for clients and the best results for the Organization, by means of business units in the main Brazilian cities.

R\$409.707 billion were the total resources administered by the area, comprising 1,562 economic groups.

7.2. Bradesco Empresas

With a high degree of specialization, it manages the relationship of economic groups with annual revenues between R\$30 million and R\$250 million, offering structured operations and a broad portfolio of products and services.

7.5. Bradesco Varejo (Retail)

Present in all regions of the country, the Retail Segment seeks to meet, with quality and commitment, all classes of the population, favoring the process of financial inclusion and providing banking services to Brazilians, as well as social mobility. With a view to achieving the greatest number of clients, Bradesco maintains its vocation as an open-door bank, with national presence, democratizing the access to banking products and services. The focus of Bradesco Varejo are Individuals with a monthly income of up to R\$10 thousand and Legal Entities with annual revenues of up to R\$30 million. For Individual Clients, with a monthly income between R\$4 thousand and R\$10 thousand, denominated as Exclusive Clients, the Retail Segment provides personalized service, customized solutions, exclusive spaces in Branches and preferential service at the cashiers. For Legal Entity Clients, called Empresas (companies) and Negócios (business), the Retail Segment offers a team of specialized Managers and appropriate financial solutions to meet the needs of these clients. At the close of the financial year, the segment served more than 26.0 million current account holders.

7.6. Bradesco Expresso

With Bradesco Expresso, the participation in the correspondents segment consistently extends, through a partnership with various commercial establishments, such as Supermarkets, Pharmacies, Department Stores, Bakeries and other retail chains, and delivers to customers and the community in general the convenience of services near their residence or workplace, in extended hours, including

R\$91.241 billion were the total resources administered by the area, of companies in all sectors of the economy.

7.3. Bradesco Private Banking

Structured to address individuals, family holdings and enterprises of shareholdings that possess net availability for investments from R\$3 million, it offers clients an exclusive line of products and services within the Tailor-Made concept and open architecture, including advice, in Brazil and Abroad, in the allocation of financial and non-financial assets, as well as advising on tax matters, wills, foreign exchange and structured operations.

7.4. Bradesco Prime

The Prime Segment – with a concept of personalized relationship between Bank/Customer – offers financial advice, as well as differentiated products and services to individuals, with proven monthly individual income from R\$10 thousand or availability of investment from R\$100 thousand. The exclusive Service Network for Bradesco Prime Clients comprised, at the end of the year, 305 Bradesco Prime Branches throughout the Country and 448 Bradesco Prime Spaces in Retail Branches, especially designed to provide comfort and privacy in conducting business.

weekends. On December 31, 43,560 establishments had been accredited.

8. Products and Services

8.1. Bradesco Cartões (Cards)

Bradesco Clients have at their disposal the most complete line of credit cards in the country, like Elo, American Express, Visa, MasterCard and various Private Labels.

Abroad, Bradesco also counts on a cards business unit, Bradescard Mexico, which has a partnership with the C&A chain of retail clothing stores, with Suburbia stores of the Grupo Walmex and the LOB chain of stores, in that country.

R\$140.064 billion was the volume of transactions by Credit Cards, with a growth of 6.1% over the previous year.

R\$9.612 billion in Revenue from Provision of Services, with a growth of 18.2% mainly in revenue from commissions on purchases made with Credit/Debit Cards and miscellaneous charges.

Consolidated Financial Statements and Independent Auditors' Report

Management Report

8.2. Cash Management Solutions

Bradesco offers customized solutions to Companies, Government Agencies and Utilities Companies, in the administration of Accounts Receivable and Payable, as well as in the collection of fees and taxes.

According to the respective profiles and needs, clients from specific market niches, such as Franchising, Education, Condominiums, among others, count on the support of a qualified team to structure solutions that add value to their business.

In the area of Global Cash Management, through partnership with 44 Banks Abroad, Bradesco offers solutions in products and services to meet the specific needs of companies with international operations.

145.698 million documents collected during the year in federal, state, municipal taxes and other contributions.

308.339 million documents received from electric, water, gas and telephone bills, of which 80.385 million of them settled by Direct Debit from Current Account and Savings Accounts, a system that provides comprehensive convenience to the client.

880.816 million receipts processed by means of Cobrança Bradesco (Collection), Custody of Checks, Identified Deposit and OCT – *Ordem de Crédito por Teleprocessamento* (Tele-processed Credit Order).

773.792 million payment operations carried out by Bradesco Pag-For systems – Book Value

Monthly, more than 8.919 million retirees and pensioners of the INSS receive their benefits in Bradesco, which gives it the position of highest payer among all the banks in the country.

With exclusive space for public servants and the military, the site bradescopoderpublico.com.br presents Corporate Solutions of Payments, Receipts, HR and Treasury.

8.4. Solutions for the Capital Markets

Bradesco, with modern infrastructure and specialized professionals, is at the forefront of the capital markets, offering a broad range of solutions and services. Among the main ones, are the following:

Qualified Custody of Securities for Investors and Issuers

R\$1.009 trillion in custodied assets of clients.

R\$1.481 trillion in the Equity of Investment Funds and Managed Portfolios that use the Controllorship Services.

26 DRs (Depository Receipts) programs registered, with a market value of R\$61.133 billion.

Fiduciary Administration for Third Party Funds

R\$254.189 billion was the total of Equity of the Investment Funds of third parties under fiduciary administration, through BEM – Distribuidora de Títulos e Valores Mobiliários (Securities Dealer).

Bookkeeping of Bonds and Securities

Payment to Suppliers, Bradesco Net Empresa (Company) and Electronic Payment of Taxes, enabling the management of Accounts Payable of enterprises.

108.625 million payments to more than 8.919 million beneficiaries of the INSS (Social Security).

131.896 million in Payroll Processing from the public and private sectors.

8.3. Solutions of Products and Services to the Public Authorities

Through its exclusive Platforms to serve the Public Sector, located throughout the national territory, Bradesco offers products, services and solutions to Public Entities and Agencies of the Executive, Legislative and Judicial Authorities, in the Federal, State and Municipal spheres, in addition to the Local Authorities, Public Foundations, Public and Mixed Economy Companies, the Armed Forces (Army, Navy and Air Force), and Auxiliary Troops (Federal, Military and Civil Police).

242 companies integrate the Bradesco System of Book Entry Shares, covering 4.510 million shareholders.

324 companies with 443 issues integrate the Bradesco System of Book Entry Debentures, with the restated value of R\$310.656 billion.

536 Investment Funds integrate the Bradesco System of Book Entry Quotas, with the restated value of R\$69.082 billion.

33 BDRs (Brazilian Depositary Receipts) programs registered, with a market value of R\$2.367 billion.

Bradesco

Consolidated Financial Statements, Independent Auditors' Report, Audit Committee Report Summary and Fiscal Council's Report

Management Report

Depository (Escrow Account – Trustee)

8,216 contracts, with a financial volume of R\$12.193 billion.

9. Organizational Structure – Bradesco Service Network

With an extensive and modern structure, the Service Network of the Organização Bradesco is present throughout the national territory and in some localities Abroad, offering excellence in services in all the segments in which it has operations.

At the end of the financial year, with 65,851 points of service, the Network was distributed as:

8,018 Branches and PAs (Service Branches) in Brazil (Branches: Bradesco 4,501, Banco Bradesco Cartões 1, Banco Bradesco Financiamentos 2, Banco Bradesco BBI 1, Banco Bradesco BERJ 1, Banco Alvorada 1; and PAs: 3,511);

3 Branches abroad, with one in New York and one in Grand Cayman of Bradesco and one in London of the subsidiary Banco Bradesco Europa;

11 Overseas Subsidiaries (Banco Bradesco Argentina S.A. in Buenos Aires; Banco Bradesco Europa S.A. in Luxembourg; Bradesco North America LLC, Bradesco Securities, Inc., and BRAM US LLC in New York; Bradesco Securities UK Limited in London, Bradesco Securities Hong Kong Limited and Bradesco Trade Services Limited in Hong Kong; Bradesco Services Co., Ltd, in Tokyo; Cidade Capital Markets Ltd. in Grand Cayman; and Bradescard Mexico, Sociedad de Responsabilidad Limitada in Mexico);

The Bradesco Self-service Network comprises 31,527 machines, 31,037 machines of them in operation including on weekends and public holidays, strategically distributed throughout the country, providing quick and convenient access to various products and services of the Bank, in addition to the 18,940 Banco24Horas machines.

In an innovative way, it offers various free accessibility solutions in banking products and services that contribute to the autonomy and independence of its clients with hearing, physical, visual and intellectual impairment.

On the site bradesco.com.br Individual and Legal Entity clients can perform various banking transactions in a safe and simple way.

Bradesco, in the universe of Mobility, has the largest and most comprehensive set of solutions on the market, including free access to the account via the cell phone. Also with strong presence on social networks.

Bank on the client's phone, Fone Fácil Bradesco is available day and night, focused on business and the implementation of financial transactions. Using voice command, the client performs banking services by electronic service quickly and efficiently.

And by strengthening its pioneering innovation, Bradesco has developed a space that unites technology, innovation and business, the Bradesco Next.

10. Bradesco Companies

10.1. Insurance, Pension and Capitalization

1,175	Correspondents of Bradesco Promotora, in the segment of consigned credit;	With a path associated to financial soundness and innovation in various products in the areas of Insurance, Supplementary Open Pensions and Capitalization, Grupo Bradesco Seguros remains in the lead among the conglomerates that operate in the sector in Brazil.
43,560	Bradesco Expresso service points;	
736	PAEs – in-company electronic service branches;	
627	External Terminals in the Bradesco Network; and	R\$5.289 billion was the Net Profit of the Insurance segment, Supplementary Pensions and Capitalization in the year, with a profitability of 24.2% on the average Shareholders' Equity.
11,721	ATMs in the Banco24Horas Network, with 323 terminals shared by both networks.	R\$20.837 billion in Shareholders' Equity. R\$210.207 billion in Total Assets. R\$191.921 billion in free investments and to cover the Technical Provisions.

Consolidated Financial Statements and Independent Auditors' Report

Management Report

R\$64.612 billion represented the Revenue from Insurance Premiums, Pension Contributions and Revenue from Capitalization.

R\$45.272 billion in indemnities, draws and redemptions paid by Grupo Bradesco Seguros in the financial year.

10.2. BEM – Distribuidora de Títulos e Valores Mobiliários (Securities Dealer)

Operates with specialization in the fiduciary administration of third party resources in the institutional segment.

R\$158.788 billion, on December 31, distributed into 1,249 Investment Funds and Portfolio Managed, totaling 38,398 investors.

10.3. Bradesco Leasing – Commercial Lease

Working together with the Branch Network and in partnership with major manufacturers in the automotive, aircraft and machinery and equipment industries, Bradesco Leasing is among the leaders of the commercial lease business, with 17.3% (base: October/2015) of the market. This result is the fruit of the strategy of diversification of the business in various segments of the market.

R\$2.969 billion was the balance invested on December 31, 2015, with 3,495 operations contracted during the year.

27,573 lease agreements in force at the end of the year, which characterizes the high level of pulverization of the business.

10.4. Bradesco Administradora de Consórcios (Administrator of Consortium)

The segment of vehicles is marketed by Bradesco Financiamentos and the consigned loans segment by Bradesco Promotora.

R\$1.585 billion in Net Profit in the year.

R\$49.122 billion in Consolidated Assets.

R\$32.913 billion represented the balance of credit operations.

10,902 active commercial partners in the country, in an extensive Accredited Network formed by vehicle resellers and dealers.

1,175 correspondents act in the consigned loan segment, in all the Brazilian states, in the capture of clients.

10.6. Banco Bradesco BBI

As an Investment Bank of the Organization, advising clients in primary and secondary issuing of shares, merger transactions, purchase and sale of assets, structuring and distributing debt instruments, including debentures, promissory notes, CRIs, real estate funds, FIDCs and bonds, besides structured corporate finance operations and the financing of projects under the modality of Project Finance. It is also controller of Bradesco Corretora de Títulos e Valores Mobiliários, Ágora Corretora de Títulos e Valores Mobiliários, BRAM – Bradesco Asset Management and Bradesco Securities Inc.

R\$130.862 billion was the total from 129 investment banking transactions advised during the financial year.

Bradesco Corretora de Títulos e Valores Mobiliários (Securities Broker)

Administrator of groups of current account holders, to which it offers the most comprehensive portfolio of products and services. It remains the leader in the segments of real estate, cars and trucks, tractors, machinery and equipment, the result of adequate planning and synergy with the Branch Network of the Bank and with the Sales Organization of the Insurance Group.

1,194,004 active quotas at year-end, with 434,622 new quotas sold.

R\$49.629 billion in accrued revenue.

10.5. Banco Bradesco Financiamentos (Financing)

Acting as the Financing Institution of the Organization, it offers consumer credit lines directly to the consumer – CDC for the acquisition of light and heavy vehicles and motorcycles and other goods and services, in addition to leasing operations and consigned loans.

With significant participation in variable income and fixed income markets, and futures, it stands out among the most active in the sector in operational support it offers to clients, by means of its Espaços Bradesco Corretora (Brokerage Spaces), distributed in various cities of the country, Trading Desks and by Electronic Operations Systems: Home Broker and the Trading application of Bradesco on iPhone and iPad.

With wide coverage of companies and sectors, offering investment analysis and economic analysis services. Also represents non-resident investors in the country in operations carried out on the financial and capital markets, in the management of investment clubs and in the custody for non-institutional individuals and legal entities.

R\$104.770 billion is the total negotiated by the Broker on the trading sessions of variable income markets of BM&FBOVESPA, corresponding to 10,483,381 orders for the purchase and sale of shares transacted, catering to the needs in the year of 131,856 investors.

Bradesco

Consolidated Financial Statements, Independent Auditors' Report, Audit Committee Report Summary and Fiscal Council's Report

Management Report

17.664 million contracts traded on derivative markets of BM&FBOVESPA, representing a financial volume of R\$1.434 trillion.

R\$11.060 billion negotiated on the home broker, corresponding to 923,275 orders for the purchase and sale of shares.

305,600 clients were registered on December 31, 2015 in the Fungible Custody Portfolio.

Ágora Corretora de Títulos e Valores Mobiliários (Securities Broker)

Present in all modalities of operations of BM&FBOVESPA, Ágora ensures to investors access to a full range of products on the market of fixed income and variable income, such as Shares, Investment Funds, *Tesouro Direto* (Treasury Bonds), Corporate Securities and Debentures. The Broker still counts on modern negotiating tools of high-performance: Home Broker, Home Broker 2.0, AE Broadcast and Ágora Mobile.

R\$21.922 billion negotiated on the home broker, corresponding to 385,476 orders for the purchase and sale of shares.

Brokerage Firms Abroad (Bradesco Securities, Inc., Bradesco Securities UK Limited and Bradesco Securities Hong Kong Limited)

Bradesco Securities, Inc. operates in the North American market, in New York, Bradesco Securities UK Limited, in the European market, in London, and Bradesco Securities Hong Kong Limited, in the Chinese market, in Hong Kong, mediating shares, through ADRs as well as shares listed on the local Stock exchanges. As broker-dealers, these brokers operate in the distribution of public and private

In 1946 its shares began to be traded on the Stock Exchange in Brazil and Banco Bradesco has been operating in the US capital markets since 1997, negotiating initially Tier I ADRs (American Depositary Receipts) backed by preferred shares and, from 2001 to 2012, Tier II ADRs backed, respectively, by preferred and common shares. Since 2001, also negotiating GDRs (Global Depositary Receipts) on the European market (Latibex).

Among the practices adopted, we highlight the listing of the Bank, since 2001, at Tier I of Corporate Governance of the BM&FBOVESPA and, since 2011, adhering to the Code of Self-regulation and Best Practices of Open Capital Companies of Abrasca. Also with an AA+ rating (very good level of adaptation to the best practices of corporate governance), assigned by the Austin Rating.

The Management of Banco Bradesco comprises the Board of Directors, which has its own set of bylaws, currently composed by 8 advisers, and by its Board of Executive Officers, with 83 members, with no accumulation of the posts of Chairman of these Boards since 1999, with statutory provision since 2012, whereby the majority of the members is formed in the Institution itself.

Six committees advise the Board of Directors, whereby 2 are statutory (Audit and Remuneration) and 4 non-statutory (Ethical Conduct, Internal Controls and Compliance, Integrated Management of Risks and Allocation of Capital and Sustainability), while various executive committees assist the activities of the Board of Executive Officers, among them the Executive Committees of Dissemination and of Corporate Governance. They are regulated by their own set of bylaws.

securities for international investors.

BRAM – Bradesco Asset Management

It stands out in the market for the management of third party resources, having among its biggest clients all the main segments of Bradesco, like Prime, Corporate, Private, Varejo (Retail), Bradesco Empresas and Grupo Bradesco Seguros, in addition to Institutional Investors in Brazil and Abroad, and various family offices within the global scope.

R\$391.496 billion in Third Party Resources under Management, on December 31, 2015, distributed into 806 Investment Funds and 319 Managed Portfolios, reaching 2,673,728 investors.

11. Corporate Governance

Since its foundation, in 1943, corporate governance practices are present in the management of Banco Bradesco S.A.

In the role of Supervisory Body, the Audit Committee had been installed annually since 2002, and became permanent from 2015. It is currently composed of 5 effective members and an equal number of alternate members, 2 of which are effective members and their respective alternates are chosen, respectively, by minority preferred shareholders and by non-controlling shareholders, holders of common shares.

In accordance with Instruction No. 381/03 of the Brazilian Securities and Exchange Commission, the Organização Bradesco, in the year of 2015, neither contracted from nor had services provided by KPMG Auditores Independentes that were not related to the external audit, at a level greater than 5% of the total fees related to external audit services. Other services provided by the external auditors were the previously-agreed procedures for reviews of, substantial, financial, fiscal and actuarial information. The Bank's policy is in line with the principles of preserving the auditors' independence, which are based on generally accepted international criteria, i.e. the auditors should not audit their own work, perform managerial duties for their clients or promote their customers' interests. It is noteworthy that any eventual services not related to the external audit are submitted prior to the authorization of the Audit Committee.

Consolidated Financial Statements and Independent Auditors' Report

Management Report

11.1 Internal Audit

The area of Internal Audit of Bradesco, with direct subordination to the Board of Directors, has as objective the independent evaluation of the processes of the Organization, contributing to the mitigation of risks, suitability and effectiveness of internal controls and compliance with the Policies, Norms, Standards, Procedures and Internal and External Regulations.

The Internal Audit activity is certified by the Instituto dos Auditores Internos do Brasil (Institute of Internal Auditors of Brazil) and by The Institute of Internal Auditors (IIA).

11.2 Policies of Transparency and Disclosure of Information

The Economic and Financial Analysis Report is available on the site bradesco.com.br/ri, with a thorough compilation of the most requested information by interested readers, and the Annual Unified Report, which combines financial and non-financial aspects. The Bank also offers to the market, physically and electronically, a series of periodic publications. Every six months 'Revista Bradesco' (magazine) is distributed, quarterly the bulletin "Cliente Sempre em Dia", bimonthly the PrimeLine and, on demand, the Face Sheet, a printed edition that presents the main financial highlights of the period, all geared to the external public.

11.3. Investor Relations – RI

The Investor Relations area has as main objective to transmit, by means of conferences, lectures, publications and events in Brazil and Abroad, information, perspectives and strategies of Bradesco for the financial community, enabling the correct

11.4. Ouvidoria Bradesco (Ombudsman)

Created in 2005, two years before the Central Bank imposed its obligation, the Ombudsman arose with the task of receiving, addressing and resolving complaints from clients and users.

The pioneering spirit in its institution ratifies the concern and commitment of Bradesco with the excellence of its products, since it has always been at the forefront of innovations that benefit the consumer, there is Alô Bradesco, the first channel of communication of the financial market with the public, created in 1985, five years before the edition of the Consumer Protection Code.

Essential for promoting the quality of services rendered, the Ombudsman performs its activities with external objectives, in the role of guardian of the relationship with the client, by ensuring their loyalty, and internal, seeking, by means of the complaints that it receives, opportunities for improvement of processes, products and services so that the manifestation of a client can benefit all the others, contributing to a healthy, transparent and respectful relationship with society.

12. Integrated Risk Control

12.1. Risk Management

The activity of management of risks is highly strategic because of the growing complexity of services and products and the globalization of the business of the Organization.

The Organization exercises corporate control of the risks in an integrated and independent manner, preserving and valuing the environment of group decisions, developing and implementing methodologies, models and tools for measurement

assessment of their actions, as well as bringing to the Top Management the perception of the market in relation to the performance of the Organization.

The Investor Relations website - bradesco.com.br/ri - is available in Portuguese and English and is segmented for individuals and legal entities, providing information according to the need and interest of each profile.

Over the course of the year, the Bank held 7 APIMEC Meetings, with some of them broadcast live over the Internet, alongside simultaneous translation into English. Access for mobile devices was also provided. All in all, more than 4 thousand people took part.

Quarterly, when the results are disclosed, teleconference and video chats are held with investors. In 2015, 144 internal and external meetings were held with analysts, 231 telephone conferences and 29 events Abroad. Additionally, the Investor Relations team assists shareholders, investors and analysts by phone and email, in addition to participating in conferences and road shows in Brazil.

and control. It also offers refresher training to employees at all hierarchical levels, from the business areas up to the Board of Directors.

In face of the complexity and the range of products and services offered to its clients in all segments of the market, the Organization is exposed to various types of risks, either due to internal or external factors. Therefore, it is crucial to adopt continuous monitoring of all the risks in order to give security and comfort to all the interested parties. Among the main types of risks, we highlight: Credit, Counterpart Credit, Concentration, Market, Liquidity, Subscription, Operational, Strategy, Legal or Compliance, Legal Unpredictability (Regulatory), Reputation and Socio-environmental.

Bradesco

Consolidated Financial Statements, Independent Auditors' Report, Audit Committee Report Summary and Fiscal Council's Report

Management Report

12.2. Internal Controls

The effectiveness of the internal controls of the Organization is sustained by qualified professionals, well defined and implemented processes and technology compatible with the business needs.

In Bradesco, the methodology of internal controls applied in the Organization is in line with the guidelines of the Committee of Sponsoring Organizations of the Treadway Commission (COSO) – version 2013, which has the purpose of supplying a model for internal controls, management of corporate risks and fraud, in order to improve the performance and organizational supervision.

The existence, implementation and effectiveness of the controls that ensure acceptable levels of risk in the processes of the Organization are certified by the responsible area, and the results are reported to the Audit Committee and Internal Controls and Compliance Committee, as well as to the Board of Directors, with the purpose of providing security for the proper running of the business and to reach the objectives established in accordance with applicable laws and regulations, external policies, internal standards and procedures, in addition to codes of conduct and of self-regulation applicable.

Anti-Money Laundering/Combating the Financing of Terrorism and Corruption and Bribery

In Bradesco, the prevention and combat against illicit acts are exercised continuously and permanently, through the establishment of a process that aims to prevent and detect the improper use of its structure, of its products and services or of its processes.

Independent Validation of Models of Management and Measurement of Risks and Capital

Bradesco counts on an independent validation process, whose main objective is to verify if the models operate according to the objectives envisaged, as well as if its results are suitable for the uses for which they are intended. This validation occurs through the application of a rigorous testing program that deals with aspects of appropriateness of processes, governance and construction of models and their assumptions, where the results are reported to the managers, to the Internal Audit, to Committees of Internal Controls and Compliance and to the Integrated Management of Risks and Capital Allocation.

Information Security

The Information Security in the Organization is composed of a set of controls, represented by procedures, processes, organizational structures, policies, standards and information technology solutions.

It intends to meet the basic principles of information security related to confidentiality, integrity and availability.

The Management Bodies of the Organization are involved in decisions on Information Security, by means of a Security Commission and the Executive Committee of Corporate Security.

Integrated Management System

Bradesco adopts one of the most modern concepts of integration of organizational processes: the Integrated Management System – ERP.

This process is composed of policies, standards, procedures and specific systems, always in compliance with the legislation and regulations in force in Brazil and in the countries where we have Business Units, in addition to the adherence to the best market practices.

In view of these premises, the communication and training of Managers and Employees count on programs in a variety of formats, such as guidebooks, videos, distance and on-site courses and live lectures specific to areas in which they are required.

The Anti-Money Laundering and Combating the Financing of Terrorism – PLD/FT and the Prevention and Combat of Corruption and Bribery are supported, respectively, by the Executive Committee of PLD/FT and by the Ethical Conduct Committee, which evaluate quarterly the work developed and the need to align or enhance the existing process.

The suspicious or atypical cases of money laundering and financing of terrorism identified are forwarded to the Commission for the Evaluation of Suspicious Transactions, composed by several areas that assess the need to report to the Regulatory Agencies.

Bradesco also has whistle blowing channels, whose actions treated as violations are subject to the disciplinary measures applicable, regardless of the hierarchical level, and without prejudice to the legal penalties applicable.

The processes provided for were Human Resources, Training, Purchases of Materials and Services, Accounts Payable, Physical and Tax Receipt, Fixed Asset, Bank Accounting, Control of Availability, Management of Works, Maintenance, Real Estate and Audit. The continuous training of users of the tool is given through training in person and e-Learning.

The Integrated Management System provides for the standardization of processes, greater agility in the taking of decisions and security in the operations, minimization of operating costs and increased productivity.

12.3. Risk factors and Critical Accounting Policies

On the site bradesco.com.br/ri (Reports and Spreadsheets – SEC Reports) the risk factors and critical accounting policies are disclosed, in compliance with the best international practices of Corporate Governance and in line with the Consolidated Financial Statements. Here the international standards of financial report – IFRS as issued by the International Accounting Standards Board – IASB" are observed, related to possible political and economical situations in the national and international markets, which can directly impact the day to day operations and, consequently, the financial situation of the Bank.

Consolidated Financial Statements and Independent Auditors' Report

Management Report

13. Intangible Assets

On December 31, 2015, based on the price of its shares on the stock exchange, the Market Value of Bradesco reached R\$100.044 billion, equivalent to 1.1 times the Accounting Shareholders' Equity that was of R\$88.907 billion. This is a difference without doubt induced by the magnitude of intangibles, which, although not reflected in the balance sheet accounts, are perceived and evaluated by investors.

Around realistic goals, the entire strategic planning developed in the Organization relies on factors of varied nature, inseparable from Sustainability, such as: (i) the value of the Bradesco Brand; (ii) the best practices of corporate governance and corporate culture; (iii) the scale to be achieved in the business; (iv) the large number of existing relationship channels with different publics; (v) a policy of innovative Information Technology; (vi) broad diversification of products, services and solutions offered and the capillarity of the Service Network, present in the entire national territory and in some locations Abroad; (vii) a policy of dynamic and responsible socio-environmental responsibility; (viii) a robust policy of Human Resources that: a) provides the most solid relationship between all employees and, consequently, a higher level of confidence among them; b) signals opportunities of valuation and professional development; c) reduces, substantially, the index of staff turnover and the costs associated with it; and d) fomenting, at all levels, a long-term vision.

13.1. Bradesco Brand

In terms of Brand, Bradesco has obtained significant recognitions:

13.2. Human Resources

The Organização Bradesco, at the end of the financial year, counted on 92,861 employees, of whom 80,726 in Banco Bradesco and 12,135 in Affiliated Companies.

Guided on respect and transparency in all relations, its model of Human Resource Management is invariably guided by valuing people, without discrimination.

In this sense, UNIBRAD – Bradesco's Corporate University is highlighted, created as part of a broader strategy to evidence the individual skills of their employees, encouraging self-development and offering learning solutions.

In addition to these initiatives, there is the TreiNet, platform for online learning, which enables employees to gain new knowledge through distance learning. In 2015, there were 573,812 participations, which demonstrates its importance and level of dissemination throughout the national territory.

In the Organization, the internal communication also deserves special attention, that edits the magazine "Interação" and the "Sempre em Dia" daily bulletin, available electronically on the IntraNet. By means of announcements and provisions, employees receive information about the policies, guidelines and operational procedures that should be adopted. The Organization also counts on the Presidency's Blog, an internal and interactive channel for information and opinions, between the staff and the Presidency. TV Bradesco reinforces and extends communications actions, uniting it to the other media to make the content even more visible and dynamic.

- **Most valuable Bank Brand in Latin America**, according to a survey conducted by consultancy BrandAnalytics of Millward Brown for the 2015 edition of the BrandZ Top 50 Most Valuable Brands in Latin America. It also appears in fourth place in the general ranking among all segments with the value of US\$5.2 billion; and

- **Most valuable brand in the banking sector in Latin America** and 15th in the global ranking, according to a study conducted by the magazines The Banker and Brand Finance; It was also considered the **Best Brazilian Bank in the edition of 2015 of The Banker Awards**, award of the magazine The Banker, edited by the Financial Times.

The assistance benefits, which contribute towards the quality of life, well-being and safety of employees and their dependents, at the end of the quarter, comprised 201,853 people. Among them, we highlight:

- Hospital and Medical Assistance Health Insurance;
- Dental Health Insurance;
- Supplementary Pension Plan of Retirement and Pensions;
- Group Life Insurance Policies and Collective Personal Accidents;

Bradesco

Consolidated Financial Statements, Independent Auditors' Report, Audit Committee Report Summary and Fiscal Council's Report

Management Report

- Collective Policy of Motor Insurance; and
- VIVA BEM Program, a set of actions that aims to contribute towards improving the Quality of Life of employees – Healthy Management, Cigarette Abandonment, Physical Activity, Health in Shape, Nutritional Guidance and LIG VIVA BEM.

As reputable and independent evaluation of its Human Capital management, in 2015, Bradesco has featured in various rankings of renowned magazines, like *Época*, *Exame*, *Valor Carreira*, and has counted on the support of reputable specialized consultancies, highlighting the Great Place to Work Institute, Aon Hewitt and Fundação Instituto de Administração – FIA.

R\$145.135 million invested in the year in Corporate Education Programs, with 900,082 participations.

R\$1.204 billion invested in Food Program, with the supply of 116,842 daily snacks, besides the meal vouchers and food vouchers.

6.000 million assisted under the Hospital and Medical Assistance Health Insurance Plan.

441,800 assisted under the Dental Health Insurance Plan during the year.

13.3. Information Technology

One of the fundamental pillars of Bradesco, technology that becomes an increasingly more competitive differential.

R\$5.720 billion were the investments made in Infrastructure, Information Technology and Telecommunications, in 2015, as a necessary condition for its continuous growth.

14. Marketing

For the communication of Bradesco, the year 2015 was marked by the beginning of the countdown to the Rio 2016 Olympic Games, which have the Bank as official sponsor with exclusivity in the financial and insurance services categories.

With the motto "*Leve o espírito olímpico para sua vida*" ("Take the Olympic spirit into your life"), that permeated the institutional communication throughout the year, Bradesco sought to highlight Olympic and Paralympic values like friendship, respect, excellence, determination and courage, highlighting their importance in the day to day of people. Another action of great repercussion was the invitation that the Bank made to all Brazilians to appoint people that make a difference to participate in the Rio 2016 Olympic Torch Relay.

In the period, continuity was also given to the campaign Bradesco Celular, emphasizing the convenience and security of transactions using the application. Bradesco Prime and Bradesco Empresas (companies) and Negócios (business) segments gained new campaigns in various media in the country.

Traditionally, Bradesco has maintained the support to various cultural events that take place in Brazil. Events, such as the Carnival in Rio de Janeiro and in Salvador, Círio de Nazaré, in Belém, Semana Farroupilha, in Porto Alegre, Natal Luz, in Gramado, and Sonho de Natal, in Canela, among others.

In 2015, we celebrated 20 years of Internet in Brazil, and Bradesco was the first financial Institution in the country to join the global computer network. Two decades of pioneering spirit, innovation and presence in the life of the clients.

We have had important advances in the digital channels, both for Individuals, and for Legal Entities. We redesigned sites and services, we enabled financial transactions using the cell phone, with intuitive navigation and a modern look.

In order to provide self service and convenience, we have made progress in performing banking transactions without time restrictions, like, for example, the solution that allows you to deposit a check by capturing and sending the image to the Bank, on the cell phone, without the use of the physical card, creating a Digital Bradesco Seguros Portfolio, which offers virtual cards of its segments of operation.

Keeping the innovative spirit, we are starting the 2nd cycle of the open innovation program, known as inovaBRA, in partnership with startups, focused on creating new models of business, products and services.

Introduced in the year-end calendar in Rio, the Christmas Tree of Bradesco Seguros celebrated its 20th edition with the theme *The Christmas of Renewal*.

247 regional, sector-based and/or professional events throughout the country, including business fairs, seminars, congresses, cultural and community events, counted on the participation of Bradesco in 2015.

15. Sustainability in Organização Bradesco

Since its origins, Organização Bradesco is committed to the socio-economic development of the country. Seeking sustainability in management, in business and in the day to day practices. Thus, aiming to grow on a continuous and sustainable basis, with respect to the target audiences with which it relates, and the environment.

Consolidated Financial Statements and Independent Auditors' Report

Management Report

In the Organization, the guidelines and strategies are oriented in such a way as to promote the incorporation of best practices of corporate sustainability in business, considering the context and potential of each region, contributing to the generation of shared value. We highlight its adherence and participation in Global Compact Initiatives, Equator Principles, Carbon Disclosure Project (CDP), Principles for Responsible Investment (PRI), GHG Protocol Program and *Empresas pelo Clima* (EPC).

As a form of recognition of the extensive work that it has been developing, the Bank is present once again in the DJSI (Dow Jones Sustainability Indexes), of the New York Stock Exchange, and in other Sustainability indexes like the ISE (Corporate Sustainability Index) and the ICO2 (Carbon Efficient Index), both of the BM&FBOVESPA.

For more information about the initiatives of Bradesco, visit the *sites* www.bradescosustentabilidade.com.br and www.bradesco.com.br/ri.

Fundação Bradesco

The main instrument of social action of the Organization, Fundação Bradesco invests in the educational training of children, young people and adults. Its activities are based on the principle that education is at the origin of equality of opportunities and personal and collective fulfillment.

Present in all the Brazilian states and Federal District, with 40 own Schools, installed in high-priority regions of socio-economic deprivation, in 2015, the Foundation propitiated free and formal quality education to 102,182 students enrolled in its schools in the following levels: Basic Education (Kindergarten to High School) and Vocational

R\$502.721 million was the total of the investment budget of Fundação Bradesco applied in 2015, of which R\$52.038 million were for investments in Infrastructure and Educational Technology, already budgeting for 2016 the amount of R\$593.360 million to defray the educational benefits for: a) 101,566 students in their own schools, in Basic Education, Education of Young People and Adults and in Initial and Continued Training; b) 550 thousand students who will complete at least one of the distance-learning courses on offer (EaD); and c) 21,490 people who will benefit through partnership projects and initiatives, including the Digital Inclusion Centers (CIDs), the *Educa+Ação* program and Technology courses (*Educar e Aprender*).

R\$5.066 billion, in restated values, was the amount of resources invested by Fundação Bradesco to defray the cost of its activities, in the last ten years.

R\$380.387 million were the remaining investments made in 2015 by Organização Bradesco in social projects for the communities, focused on education, arts, culture, sports, health, sanitation, combating hunger and food security.

Bradesco Sports and Education Program

The Bradesco Esportes Program (Sports), in support of the development of citizenship and social inclusion of children and teenagers, for more than 27 years promotes sports training and practice, combining actions in health, education and well-being.

In the Municipal District of Osasco, SP, the Program has Qualification and Specialist Centers to teach the modalities of Women's Volleyball and Basketball in their own Sports Development Center, in the Fundação Bradesco schools, in Municipal Sports

Training (High School level); Youth and Adult Education; and Preliminary and Continuing Vocational Training, focused on creating jobs and income. The more than 42 thousand students of Basic Education were also ensured uniforms, school material, food and medical-dental assistance, free-of-charge.

In the modality of distance learning (EaD), through its e-Learning portal "*Escola Virtual*" (Virtual School), it benefited 592,424 students who concluded at least one of the courses offered in its schedule, besides another 22,990 in projects and actions in partnership with the CDIs (Centers of Digital Inclusion), the Program *Educa+Ação* and in courses of Technology (*Educar e Aprender* – Educating and Learning).

The Computer Program for the Visually Impaired, first introduced in 1998, has met and trained since then 12,403 students, promoting the social inclusion of thousands of people.

The Foundation has a positive influence on improving the quality of life of the communities in which it operates, which characterizes it as a "socially responsible investment", in the best sense of the term.

Centers, in a leisure club and in private schools. More than 2,000 girls are trained, from eight years of age, reinforcing the commitment to defend a country even more open to the appreciation of talent, effort and the exercise of citizenship.

16. Recognitions

Ratings – To Bradesco, in the period, among the assessment indexes assigned to Banks in the country by Branches and national and international Entities, we recorded that:

- the credit rating agency Moody's Investors Service, due to the implementation in the new methodology of bank ratings, changed the long-term deposit rating in local currency, from "Baa1" to "Baa2" and has discontinued the bank financial strength rating (BFSR) and, later, due to the downgrading of the sovereign rating, changed the rating of: (i) deposit in local currency and foreign currency, from "Baa2" to "Baa3"; and (ii) deposit in local currency and short-term foreign currency, from "P-2" to "P-3";

Bradesco

Consolidated Financial Statements, Independent Auditors' Report, Audit Committee Report Summary and Fiscal Council's Report

Management Report

- the credit rating agency Standard & Poor's, due to the downgrading of the sovereign rating, changed the credit rating of issuer of: (i) long-term in foreign currency and in local currency – global scale, from "BBB-" to "BB+"; (ii) short term in foreign currency and in local currency – global scale from "A-3" to "B"; (iii) long-term – national scale, from "brAAA" to "brAA+"; and (iv) short term – national scale, from "brA-1+" to "brA-1";
 - the credit rating agency Fitch Ratings has changed the feasibility rating, from "a-" to "bbb+", resulting in the amendment of the issuer's default rating (IDRs) of long term in local currency, from "A-" to "BBB+", and in the short term in local currency, from "F1" to "F2", and, later, due to the downgrading of the sovereign rating, changed the feasibility rating again, from "bbb+" to "bbb", changing the long-term IDRs in foreign currency and in local currency – global scale, from "BBB+" to "BBB"; and the support rating, from "2" to "3". At the end of 2015, due to a new downgrade of the sovereign rating, the agency changed the feasibility rating, from "bbb" to "bbb-", changing the long-term IDRs in foreign currency and in local currency – global scale, from "BBB" to "BBB-"; and the short-term IDRs in foreign currency and in local currency – global scale, from "F2" for "F3". Fitch highlighted that it continues believing that the credit profiles of Bradesco meet the criteria for classification above the sovereign rating; and
 - the credit rating agency Austin Rating affirmed all the ratings of the Organization.
- Rankings** – In 2015, in addition to those mentioned in item 13.1. Bradesco Branding, of this report, renowned national and international publications have highlighted Bradesco many times, among
- **Received the international certificate of Socialbakers** for performance in Social Networks;
 - **It integrates, for the 16th time in the annual list of the 135 Best Companies to Work For in Brazil**, in a research performed by the *Época* magazine, assessed as a Great Place to Work;
 - **Integrates the ranking of The Best in People Management**, as shown in the special edition of *Valor Carreira*, published by the newspaper *Valor Econômico* in partnership with *Aon-Hewitt*;
 - **Highlight in the listing of The Best Psychologically Healthy Companies**, promoted by publisher *Gestão e RH*;
 - **Featured, for the fifth consecutive time, in Guia Você S/A – The Best Companies to Begin the Career – 2015 Edition**, in the survey conducted by the magazine *Você S/A* in partnership with *Fundação Instituto de Administração (FIA)* and *Cia. de Talentos*;
 - **Featured among The Best Companies for the Consumer 2015**, according to the survey *Época Reclame Aqui*, appearing as champion in the categories, Banks, Banks and Financial Services, Cards and Insurance;
 - **Featured in the 2015 edition of the yearbook Melhores e Maiores (Best and Largest) of the Exame magazine, integrating the rankings: 200 Largest Groups for Net Revenue; 50 Largest Banks by Equity; 100 Largest Banks in Latin America by Equity; 200 Largest Companies in Latin America by**

which:

- **Best Brazilian Bank, for the fourth consecutive year**, recognized with the Prize Awards for Excellence 2015, granted by the English magazine Euromoney;
- **Leader of the overall ranking of assets in custody, exceeding for the first time the barrier of R\$1 trillion in November 2014**, according to a survey published in the magazine *Investidor Institucional*, based on data provided by the Brazilian Association of Entities of the Financial and Capital Markets – Anbima;
- **Largest private group in the country, with revenues of R\$201.2 billion, in the ranking of Valor Econômico**, created by *Valor Econômico*, which lists the 200 largest groups that operate in Brazil;
- **One of the 50 'Good' Companies**, in the Activism category: besides profit, by *Isto é Dinheiro* magazine, with the case of the Floating Branch;

Market Value; 50 Largest Insurers by Premiums Issued, highlighting Bradesco Saúde, and first on the list, Bradesco Vida and Previdência and Bradesco Auto/RE;

- **Highlight in the 2015 edition of the *Anuário Valor 1000 (Yearbook)*** published by the newspaper *Valor Econômico*, in which, in addition to integrating the ranking of the largest Banks, it also occupies the first place among the insurers, with Bradesco Seguros, Bradesco Vida e Previdência and Bradesco Saúde;
- **Featured by *Top Gestão 2015 (Top in Management)***, published in the magazine *ValorInveste*, of the newspaper *Valor Econômico*, which lists BRAM-Bradesco Asset Management among the best fund managers. In the same publication, **Bradesco is also featured in the Star Ranking**, which brings the best investment funds of the market in the categories of fixed income, multi-market funds and variable income;

Economic and Financial Analysis Report – December 2015

Consolidated Financial Statements and Independent Auditors' Report

Management Report

- **Featured among the best managers of funds in the country**, according to a survey published in the magazine *Exame* based on a survey of Fundação Getúlio Vargas (FGV);
- **Grupo Bradesco Seguros received the RA 1000 seal**, which is awarded by the *Reclame Aqui* site to companies that provide excellent services to clients; and
- **Grupo Bradesco Seguros, for the fourth consecutive time, is the leader in the category of Insurance of the Anuário Época Negócios 360º (Yearbook)**, according to the survey conducted in partnership with *Fundação Dom Cabral*. **Bradesco Saúde and Odontoprev obtained a placement in the upper maximum range in the Performance Index of the Supplementary Health (IDSS)**, of the Qualification of Operators program 2015 (based in 2014), organized by *Agência Nacional de Saúde Suplementar -ANS* (National Supplementary Health Agency).

Awards – From independent opinions, the Organization has won 28 awards in 2015, emphasizing the quality of its products and services, highlighting:

- **Received the Oi Tela Viva Móvel (Oi Live Screen Award), in the Mobile Marketing category**, for the free access to the Bradesco Celular channel;
- **100+Innovative Prize in the use of IT** of the magazine *IT Forum*, granted to companies with the best initiatives in the use of new technologies or innovation in process initiated and completed between August 2014 and August 2015;
- **Highlight of the Prêmio Ouvidoria Brasil (Ombudsman Award)**, the Ombudsman Services of

17. Acknowledgments

All these achievements and conquests renew the enthusiasm and reaffirm Bradesco's effort to overcome expectations, always grounded on the quality of services, products and in the permanent determination to deliver services with quality and efficiency. Highlight the unshakable optimism and provision of always contributing to build a genuinely modern and prosperous Nation.

For the results obtained, we thank the support and trust of our shareholders and clients and for the efficient and dedicated work of our employees and other collaborators.

Cidade de Deus, January 27, 2016

**Board of Directors
and Board of Executive Officers**

(*) Excluding mark-to-market effect of Available-for-sale Securities recorded under Shareholders' Equity.

Bradesco and of Grupo Bradesco Seguros, for the fourth consecutive time, were elected among the 10 Best in the Country, in a survey of the *Associação Brasileira de Ouvidores -ABO* (Brazilian Association of Ombudsmen) and the *Associação Brasileira das Relações Empresa-Cliente -Abrarec* (Brazilian Association of Company-Client Relations), with the support from the *Consumidor Moderno* magazine; and

- **Featured in the *Prêmio Cobertura Performance 2015***, promoted by publisher *Cobertura*, Grupo Bradesco Seguros was the winner in the categories: Individual Life portfolio and Private Pension Portfolio; Housing Portfolio and Random Events Portfolio; Capitalization Portfolio; and Dental Insurance Portfolio.

Certifications –The Management System is the inter-relationship of the parties, of the elements or the units that provide the operation and management of an organized structure, contributing towards achieving operational excellence and the desired results.

Thus, Organização Bradesco counts on the following certifications to its Management System: SA8000 – Social Responsibility; OHSAS 18001 – Occupational Health and Safety Management System; ISO 14001 – Environmental Management; ISO 14064 – Quantification and Reporting on Greenhouse Gas Emissions; GoodPriv@cy – Data Protection and Privacy; ISAE 3402 – Service Organization Control Reports (international standard); ISO 9001 – Quality Management; ISO 27001 – Information Security Management; and ISO 20000 – Management of IT services.

Consolidated Financial Statements, Independent Auditors' Report, Audit Committee Report Summary and Fiscal Council's Report

Consolidated Statement of Financial Position on December 31 -In thousands of Reais

Assets	2015	2014
Current assets	673,205,648	588,928,823
Cash and due from banks (Note 5)	17,299,879	14,505,660
Interbank investments (Notes 3d and 6)	140,129,117	201,736,570
Securities purchased under agreements to resell	130,511,423	194,173,342
Interbank investments	9,652,529	7,591,618
Allowance for losses	(34,835)	(28,390)
Securities and derivative financial instruments (Notes 3e, 3f, 7 and 31b)	248,462,926	119,289,655
Own portfolio	209,724,106	100,473,581
Subject to unrestricted repurchase agreements	8,452,170	11,225,403
Derivative financial instruments (Notes 3f, 7d II and 31b)	18,895,657	2,934,646
Given in guarantee	6,925,291	4,656,025
Subject to unrestricted repurchase agreements	4,465,702	-
Interbank accounts	54,799,277	50,998,901
Unsettled payments and receipts	-	63,204
Reserve requirement (Note 8):		
- Reserve requirement - Brazilian Central Bank	54,791,894	50,924,906
- SFH	5,357	4,981
Correspondent banks	2,026	5,810
Interdepartmental accounts	248,466	387,921
Internal transfer of funds	248,466	387,921
Loans (Notes 3g, 9 and 31b)	140,927,488	140,182,911
Loans:		
- Public sector	1,876,109	1,138,408
- Private sector	157,639,865	153,568,777
Loans transferred under an assignment with recourse	120,130	41,982
Allowance for loan losses (Notes 3g, 9f, 9g and 9h)	(18,708,616)	(14,566,256)
Leasing (Notes 2, 3g, 9 and 31b)	1,513,602	2,032,435
Leasing receivables:		
- Private sector	2,962,460	4,020,476
Unearned income from leasing	(1,333,300)	(1,831,672)
Allowance for leasing losses (Notes 3g, 9f, 9g and 9h)	(115,558)	(156,369)
Other receivables	65,611,114	56,606,510
Receivables on sureties and guarantees honored (Note 9a-3)	104,099	38,498
Foreign exchange portfolio (Note 10a)	14,369,499	11,774,294
Receivables	1,229,330	1,630,075
Securities trading	1,798,999	1,286,890
Specific receivables	7,251	4,179
	4,480,009	4,057,019

Insurance and reinsurance receivables and reinsurance assets – technical provisions		
Sundry (Note 10b)	44,761,180	38,656,322
Allowance for other loan losses (Notes 3g, 9f, 9g and 9h)	(1,139,253)	(840,767)
Other assets (Note 11)	4,213,779	3,188,260
Other assets	2,172,491	1,765,933
Provision for losses	(871,132)	(698,981)
Prepaid expenses (Notes 3i and 11b)	2,912,420	2,121,308
Long-term receivables	327,309,634	321,015,245
Interbank investments (Notes 3d and 6)	515,131	772,794
Interbank investments	515,131	772,794
Securities and derivative financial instruments (Notes 3e, 3f, 7 and 31b)	105,873,134	124,431,675

Economic and Financial Analysis Report – December 2015

Consolidated Financial Statements, Independent Auditors' Report, Audit Committee Report Summary and Fiscal Council's Report

Consolidated Statement of Financial Position on December 31 -In thousands of Reais

Assets	2015	2014
Own portfolio	82,248,381	115,405,549
Subject to unrestricted repurchase agreements	19,969,068	4,318,638
Derivative financial instruments (Notes 3f, 7d II and 31b)	137,324	1,652,713
Given in guarantee to the Brazilian Central Bank	22,065	19,764
Privatization rights	52,472	58,928
Given in guarantee	2,865,797	2,646,248
Subject to unrestricted repurchase agreements	578,027	329,835
Interbank accounts	680,860	617,154
Reserve requirement (Note 8):		
- SFH	680,860	617,154
Loans (Notes 3g, 9 and 31b)	162,128,903	151,844,483
Loans:		
- Public sector	863,525	756,820
- Private sector	162,533,796	153,151,903
Loans transferred under an assignment with recourse	7,390,609	4,911,791
Allowance for loan losses (Notes 3g, 9f, 9g and 9h)	(8,659,027)	(6,976,031)
Leasing (Notes 2, 3g, 9 and 31b)	1,372,827	2,034,837
Leasing receivables:		
- Private sector	2,896,845	4,304,809
Unearned income from leasing	(1,453,228)	(2,174,464)
Allowance for leasing losses (Notes 3g, 9f, 9g and 9h)	(70,790)	(95,508)
Other receivables	55,464,913	39,602,602
Receivables	10,798	8,988
Securities trading	1,067,781	398,032
Sundry (Note 10b)	54,415,506	39,207,922
Allowance for other loan losses (Notes 3g, 9f, 9g and 9h)	(29,172)	(12,340)
Other assets (Note 11)	1,273,866	1,711,700
Prepaid expenses (Notes 3i and 11b)	1,273,866	1,711,700
Permanent assets	18,392,629	16,255,763
Investments (Notes 3j, 12 and 31b)	5,824,255	4,336,613
Equity in the earnings (losses) of unconsolidated companies:		
- In Brazil	5,682,274	4,197,835
- Overseas	2,308	2,950
Other investments	390,557	409,683
Allowance for losses	(250,884)	(273,855)
Premises and equipment (Notes 3k and 13)	5,495,852	4,646,989
Premises	1,534,405	1,477,150
Other premises and equipment	10,716,605	10,137,096
Accumulated depreciation	(6,755,158)	(6,967,257)
Intangible assets (Notes 3l and 14)	7,072,522	7,272,161

Intangible Assets	16,744,768	15,151,723
Accumulated amortization	(9,672,246)	(7,879,562)
Total	1,018,907,911	926,199,831

The accompanying Notes are an integral part of these Consolidated Financial Statements.

Bradesco

Consolidated Financial Statements, Independent Auditors' Report, Audit Committee Report Summary and Fiscal Council's Report

Consolidated Statement of Financial Position on December 31 -In thousands of Reais

Liabilities	2015	2014
Current liabilities	672,246,388	638,125,715
Deposits (Notes 3n and 15a)	153,414,979	166,543,026
Demand deposits	23,819,720	32,987,563
Savings deposits	91,878,816	92,154,815
Interbank deposits	419,590	398,033
Time deposits (Notes 15a and 31b)	37,296,853	41,002,615
Securities sold under agreements to repurchase (Notes 3n and 15b)	197,859,259	197,198,193
Own portfolio	83,099,701	61,376,673
Third-party portfolio	109,877,186	134,982,751
Unrestricted portfolio	4,882,372	838,769
Funds from issuance of securities (Notes 15c and 31b)	53,138,708	46,647,805
Mortgage and real estate notes, letters of credit and others	48,794,240	43,302,030
Securities issued overseas	3,981,183	3,182,337
Structured Operations Certificates	363,285	163,438
Interbank accounts	1,222,426	1,068,711
Cash Receipts of Payments Pending Settlement	77,696	-
Correspondent banks	1,144,730	1,068,711
Interdepartmental accounts	5,161,659	4,888,707
Third-party funds in transit	5,161,659	4,888,707
Borrowing (Notes 16a and 31b)	22,967,173	13,123,331
Borrowing in Brazil - other institutions	9,544	8,415
Borrowing overseas	22,957,629	13,114,916
On-lending in Brazil - official institutions (Notes 16b and 31b)	12,044,476	13,134,627
National treasury	133,028	151,096
BNDES	3,801,626	4,056,723
FINAME	8,099,475	8,913,365
Other institutions	10,347	13,443
On-lending overseas (Notes 16b and 31b)	2,111,162	1,483,967
On-lending overseas	2,111,162	1,483,967
Derivative financial instruments (Notes 3f, 7d II and 31b)	19,246,841	2,174,878
Derivative financial instruments	19,246,841	2,174,878
Technical provisions for insurance, pension plans and capitalization bonds (Notes 3o and 20)	152,331,354	129,922,136
Other liabilities	52,748,351	61,940,334
Payment of taxes and other contributions	600,820	434,219
Foreign exchange portfolio (Note 10a)	5,617,070	5,385,332
Social and statutory	3,770,177	3,739,052
Tax and social security (Note 19a)	4,274,769	5,451,753

Securities trading	2,716,074	2,763,624
Financial and development funds	5,417	2,213
Subordinated debts (Notes 18 and 31b)	467,861	2,862,116
Sundry (Note 19b)	35,296,163	41,302,025
Long-term liabilities	256,836,256	205,884,580
Deposits (Notes 3n and 15a)	42,369,272	45,093,390
Interbank deposits	46,858	245,285
Time deposits (Notes 15a and 31b)	42,322,414	44,848,105
Securities sold under agreements to repurchase (Notes 3n and 15b)	24,418,517	22,154,836
Own portfolio	24,418,517	22,154,836

Economic and Financial Analysis Report – December 2015

Consolidated Financial Statements, Independent Auditors' Report, Audit Committee Report Summary and Fiscal Council's Report

Consolidated Statement of Financial Position on December 31 -In thousands of Reais

Liabilities	2015	2014
Funds from issuance of securities (Notes 15c and 31b)	56,407,840	38,177,628
Mortgage and real estate notes, letters of credit and others	50,762,793	32,497,232
Securities issued overseas	5,495,989	5,583,788
Structured Operations Certificates	149,058	96,608
Borrowing (Notes 16a and 31b)	5,269,665	2,095,261
Borrowing in Brazil - other institutions	6,440	11,743
Borrowing overseas	5,263,225	2,083,518
On-lending in Brazil - official institutions (Notes 16b and 31b)	26,158,687	29,160,950
BNDES	8,607,769	8,216,720
FINAME	17,550,918	20,935,968
Other institutions	-	8,262
On-lending overseas (Notes 16b and 31b)	1,786,721	-
On-lending overseas	1,786,721	-
Derivative financial instruments (Notes 3f, 7d II and 31b)	98,888	1,143,746
Derivative financial instruments	98,888	1,143,746
Technical provisions for insurance, pension plans and capitalization bonds (Notes 3o and 20)	25,503,069	23,344,947
Other liabilities	74,823,597	44,713,822
Tax and social security (Note 19a)	10,837,881	9,629,096
Subordinated debts (Notes 18 and 31b)	38,370,136	32,959,551
Eligible Debt Capital Instruments (Notes 18 and 31b)	11,444,939	-
Sundry (Note 19b)	14,170,641	2,125,175
Deferred income	523,545	288,730
Deferred income	523,545	288,730
Non-controlling interests in subsidiaries (Note 21)	395,078	392,556
Shareholders' equity (Note 22)	88,906,644	81,508,250
Capital:		
- Domiciled in Brazil	45,521,283	37,622,363
- Domiciled overseas	578,717	477,637
Unpaid capital	(3,000,000)	-
Capital reserves	11,441	11,441
Profit reserves	50,340,806	44,186,135
Asset valuation adjustments	(4,114,555)	(491,311)
Treasury shares (Notes 22c and 31b)	(431,048)	(298,015)
Attributable to equity holders of the Parent Company	89,301,722	81,900,806
Total	1,018,907,911	926,199,831

The accompanying Notes are an integral part of these Consolidated Financial Statements.

Consolidated Financial Statements, Independent Auditors' Report, Audit Committee Report Summary and Fiscal Council's Report

Consolidated Statement of Accumulated Income on December 31 -In thousands of Reais

	2015	2014
Revenue from financial intermediation	133,188,251	107,350,123
Loans (Note 9j)	67,045,235	58,186,134
Leasing (Note 9j)	505,182	649,400
Operations with securities (Note 7h)	39,545,820	32,292,008
Financial income from insurance, pension plans and capitalization bonds (Note 7h)	16,262,707	11,280,633
Derivative financial instruments (Note 7h)	285,892	(659,975)
Foreign exchange operations (Note 10a)	5,334,154	1,295,238
Reserve requirement (Note 8b)	4,603,995	4,310,921
Sale or transfer of financial assets	(394,734)	(4,236)
Financial intermediation expenses	106,044,116	72,148,794
Retail and professional market funding (Note 15d)	53,297,538	42,234,597
Adjustment for inflation and interest on technical provisions for insurance, pension plans and capitalization bonds (Note 15d)	16,038,504	10,376,435
Borrowing and on-lending (Note 16c)	16,096,583	5,195,320
Allowance for loan losses (Notes 3g, 9g and 9h)	20,611,491	14,342,442
Gross income from financial intermediation	27,144,135	35,201,329
Other operating income (expenses)	(17,518,708)	(14,691,424)
Fee and commission income (Note 23)	19,300,970	17,934,028
- Other fee and commission income	13,582,292	13,036,723
Income from banking fees	5,718,678	4,897,305
Retained premium from insurance, pension plans and capitalization bonds (Notes 3o and 20c)	64,267,749	55,797,547
- Net premiums written	64,611,948	56,151,588
- Reinsurance premiums paid	(344,199)	(354,041)
Variation in technical provisions for insurance, pension plans and capitalization bonds (Note 3o)	(28,278,672)	(24,020,497)
Retained claims (Note 3o)	(21,724,044)	(18,143,687)
Capitalization bond prize draws and redemptions (Note 3o)	(5,007,233)	(4,894,419)
Selling expenses from insurance, pension plans and capitalization bonds (Note 3o)	(3,307,128)	(2,936,275)
Payroll and related benefits (Note 24)	(14,328,559)	(13,924,319)
Other administrative expenses (Note 25)	(15,641,694)	(14,365,295)
Tax expenses (Note 26)	(4,791,745)	(3,922,163)

Equity in the earnings (losses) of unconsolidated and jointly subsidiaries (Note 12b)	1,485,880	1,310,248
Other operating income (Note 27)	3,246,707	4,011,333
Other operating expenses (Note 28)	(12,740,939)	(11,537,925)
Operating income	9,625,427	20,509,905
Non-operating income (loss) (Note 29)	(512,262)	(513,039)
Income before income tax and social contribution and non-controlling interests	9,113,165	19,996,866
Income tax and social contribution (Notes 33a and 33b)	8,182,733	(4,795,410)
Non-controlling interests in subsidiaries	(106,263)	(112,638)
Net profit	17,189,635	15,088,818

The accompanying Notes are an integral part of these Consolidated Financial Statements.

Economic and Financial Analysis Report – December 2015

Consolidated Financial Statements, Independent Auditors' Report, Audit Committee Report Summary and Fiscal Council's Report

Statement of Changes in Shareholders' Equity— In thousands of Reais

Events	Capital		Capital reserves	Profit reserves		Asset valuation adjustment		Treasu
	Paid in Capital	Unpaid Capital	Share premium	Legal	Statutory	Bradesco	Subsidiaries	shares
Balance on December 31, 2013	38,100,000	-	11,441	4,439,025	29,712,872	(865,373)	(189,070)	(269,09
Acquisition of treasury shares	-	-	-	-	-	-	-	- (28,92
Asset valuation adjustments	-	-	-	-	-	459,896	103,236	
Net profit	-	-	-	-	-	-	-	-
Allocations:- Reserves	-	-	-	754,442	9,279,796	-	-	-
- Interest on shareholders' equity paid	-	-	-	-	-	-	-	-
- Interim Dividends Paid	-	-	-	-	-	-	-	-
Balance on December 31, 2014	38,100,000	-	11,441	5,193,467	38,992,668	(405,477)	(85,834)	(298,01
Increase of capital stock with reserves	5,000,000	-	-	-	(5,000,000)	-	-	-
Capital Increase by Subscription of Shares	3,000,000	(3,000,000)	-	-	-	-	-	-
Acquisition of treasury shares	-	-	-	-	-	-	-	-(133,03
Asset valuation adjustments	-	-	-	-	-	(826,126)	(2,797,118)	
Net profit	-	-	-	-	-	-	-	-
Allocations:- Reserves	-	-	-	859,482	10,295,189	-	-	-
- Interest on Shareholders' Equity Paid and/or provisioned	-	-	-	-	-	-	-	-
- Interim Dividends Paid	-	-	-	-	-	-	-	-
Balance on December 31, 2015	46,100,000	(3,000,000)	11,441	6,052,949	44,287,857	(1,231,603)	(2,882,952)	(431,04

The accompanying Notes are an integral part of these Consolidated Financial Statements.

Bradesco

Consolidated Financial Statements, Independent Auditors' Report, Audit Committee Report Summary and Fiscal Council's Report

Consolidated Statement of Added Value Accumulated on December 31 - in thousands of Reais

Description	2015	%	2014
1 – Revenue	170,067,283	583.5	138,354,400
1.1) Financial intermediation	133,188,251	457.0	107,350,400
1.2) Fees and commissions	19,300,970	66.2	17,934,400
1.3) Allowance for loan losses	20,611,491	70.7	14,342,400
1.4) Other	(3,033,429)	(10.4)	(1,272,500)
2 – Financial intermediation expenses	(126,655,607)	(434.6)	(86,491,200)
3 – Inputs acquired from third-parties	(12,640,778)	(43.3)	(11,641,300)
Outsourced services	(4,302,276)	(14.8)	(4,046,200)
Communication	(1,427,682)	(4.9)	(1,383,200)
Data processing	(1,219,706)	(4.2)	(1,085,800)
Asset maintenance	(925,931)	(3.2)	(628,200)
Advertising and marketing	(966,625)	(3.3)	(828,600)
Financial system services	(873,664)	(3.0)	(797,600)
Material, water, electricity and gas	(654,401)	(2.2)	(563,000)
Transport	(631,082)	(2.2)	(756,400)
Security and surveillance	(606,292)	(2.1)	(556,700)
Travel	(157,723)	(0.5)	(147,500)
Other	(875,396)	(2.9)	(847,500)
4 – Gross value added (1-2-3)	30,770,898	105.6	40,221,400
5 – Depreciation and amortization	(3,114,403)	(10.7)	(2,834,900)
6 – Net value added produced by the entity (4-5)	27,656,495	94.9	37,386,400
7 – Value added received through transfer	1,485,880	5.1	1,310,400
Equity in the earnings (losses) of unconsolidated and jointly controlled companies	1,485,880	5.1	1,310,400
8 – Value added to distribute (6+7)	29,142,375	100.0	38,696,400
9 – Value added distributed	29,142,375	100.0	38,696,400
9.1) Personnel	12,497,334	42.9	12,148,400
Salaries	6,448,507	22.1	6,098,400
Benefits	3,028,181	10.4	2,813,400
Government Severance Indemnity Fund for Employees (FGTS)	602,169	2.1	585,400
Other	2,418,477	8.3	2,651,400
9.2) Tax, fees and contributions	(1,559,763)	(5.4)	10,493,400
Federal	(2,289,132)	(7.9)	9,845,400
State	46,444	0.2	23,400
Municipal	682,925	2.3	624,400
9.3) Remuneration for providers of capital	908,906	3.1	853,400
Rental	887,393	3.0	838,400
Asset leasing	21,513	0.1	14,400
9.4) Value distributed to shareholders	17,295,898	59.4	15,201,400
Interest on shareholders' equity/dividends	6,034,964	20.7	5,054,400

Retained earnings	11,154,671	38.3	10,034,9
Non-controlling interests in retained earnings	106,263	0.4	112,0

The accompanying Notes are an integral part of these Consolidated Financial Statements.

Economic and Financial Analysis Report – December 2015

Consolidated Financial Statements, Independent Auditors' Report, Audit Committee Report Summary and Fiscal Council's Report

Consolidated Cash Flow Statement Accumulated on December 31 – In thousands of Reais

	2015	2014
Cash flow from operating activities:		
Net profit before income tax and social contribution	9,113,165	19,996,866
Adjustments to net profit before income tax and social contribution	34,170,779	28,443,819
Effect of Changes in Exchange Rates in Cash and Cash equivalents	(2,911,155)	(618,226)
Allowance for loan losses	20,611,491	14,342,442
Depreciation and amortization	3,114,403	2,714,504
Write-offs through Impairment	650,588	1,300,378
Expenses with civil, labor and tax provisions	3,510,917	2,394,140
Expenses with adjustment for inflation and interest on technical provisions for insurance, pension plans and capitalization bonds	16,038,504	10,376,435
Equity in the (earnings/losses) of unconsolidated and jointly subsidiaries	(1,485,880)	(1,310,248)
(Gain)/loss on sale of investments	110,020	29,104
(Gain)/loss on sale of fixed assets	96,630	35,930
(Gain)/loss on sale of foreclosed assets	180,602	309,383
Foreign exchange variation of assets and liabilities overseas/Other	(5,745,341)	(1,130,023)
Adjusted net profit before taxes	43,283,944	48,440,685
(Increase)/decrease in interbank investments	1,660,584	17,610,237
(Increase)/decrease in trading securities and derivative financial instruments	(64,844,955)	17,103,929
(Increase)/decrease in interbank and interdepartmental accounts	569,027	(370,832)
(Increase)/decrease in loan and leasing	(29,509,091)	(34,077,081)
(Increase)/decrease in insurance and reinsurance receivables and reinsurance assets	(424,618)	(558,817)
(Increase)/decrease in other receivables and other assets	(10,879,077)	(3,707,013)
(Increase)/decrease in reserve requirement - Central Bank	(3,866,988)	4,456,083
Increase/(decrease) in deposits	(15,852,165)	(6,536,161)
Increase/(Decrease) in securities sold under agreements to repurchase	2,924,746	34,298,388
Increase/(Decrease) in funds from issuance of securities	24,721,115	27,171,056
Increase/(Decrease) in borrowings and on-lending	11,339,748	2,907,688
Increase/(Decrease) in technical provisions for insurance, pension plans and capitalization bonds	8,528,836	6,661,537
Increase/(Decrease) in other liabilities	5,836,800	6,368,198
Increase/(Decrease) in deferred income	234,815	(384,919)
Income tax and social contribution paid	7,419,802	(6,446,222)
Net cash provided by/(used in) by operating activities	(33,697,081)	112,936,756
Cash flow from investing activities:		
(Increase)/Decrease in held-to-maturity securities	(2,500,061)	(5,796,366)
Sale of/maturity of and interests on available-for-sale securities	49,983,751	39,525,692
Proceeds from sale of foreclosed assets	737,054	664,652
Sale of investments	656,263	263,818

Sale of premises and equipment	561,706	718,690
Purchases of available-for-sale securities	(78,933,080)	(52,781,270)
Foreclosed assets received	(1,573,322)	(1,390,532)
Investment acquisitions	(1,439,038)	(30,371)
Purchase of premises and equipment	(2,256,226)	(1,550,944)
Intangible asset acquisitions	(2,057,876)	(1,451,009)
Dividends and interest on shareholders' equity received	847,369	859,342
Net cash provided by/(used in) investing activities	(35,973,460)	(20,968,298)
Cash flow from financing activities:		
Increase/(decrease) in subordinated debts	14,461,269	(63,337)
Dividends and interest on shareholders' equity paid	(4,875,422)	(5,190,642)
Non-controlling interest	(103,741)	(325,540)
Acquisition of own shares	(133,033)	(28,922)
Net cash provided by/(used in) financing activities	9,349,073	(5,608,441)
Net increase/(decrease) in cash and cash equivalents	(60,321,468)	86,360,017
Cash and cash equivalents - at the beginning of the period	204,671,747	117,693,504
Effect of Changes in Exchange Rates in Cash and Cash equivalents	2,911,155	618,226
Cash and cash equivalents - at the end of the period	147,261,434	204,671,747
Net increase/(decrease) in cash and cash equivalents	(60,321,468)	86,360,017

The accompanying Notes are an integral part of these Consolidated Financial Statements.

Bradesco

Consolidated Financial Statements, Independent Auditors' Report, Audit Committee Report Summary and Fiscal Council's Report

Index of Notes to the Consolidated Financial Statements

Notes to Bradesco's Consolidated Financial Statements are as follows:

	Page
1) OPERATIONS	121
2) PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS	121
3) SIGNIFICANT ACCOUNTING PRACTICES	123
4) STATEMENT OF FINANCIAL POSITION AND MANAGERIAL RESULT STATEMENT BY OPERATING SEGMENT	132
5) CASH AND CASH EQUIVALENTS	136
6) INTERBANK INVESTMENTS	137
7) SECURITIES AND DERIVATIVE FINANCIAL INSTRUMENTS	138
8) INTERBANK ACCOUNTS – RESERVE REQUIREMENT	147
9) LOANS	148
10) OTHER RECEIVABLES	159
11) OTHER ASSETS	161
12) INVESTMENTS	161
13) PREMISES AND EQUIPMENT	162
14) INTANGIBLE ASSETS	163
15) DEPOSITS, SECURITIES SOLD UNDER AGREEMENTS TO REPURCHASE AND FUNDS FROM ISSUANCE OF SECURITIES	164
16) BORROWING AND ON-LENDING	167
17) PROVISIONS, CONTINGENT ASSETS AND LIABILITIES AND LEGAL LIABILITIES – TAX AND SOCIAL SECURITY	168
18) SUBORDINATED DEBT	171
19) OTHER LIABILITIES	172
20) INSURANCE, PENSION PLANS AND CAPITALIZATION BONDS	173
21) NON-CONTROLLING INTERESTS IN SUBSIDIARIES	175
22) SHAREHOLDERS' EQUITY (PARENT COMPANY)	175
23) FEE AND COMMISSION INCOME	177
24) PAYROLL AND RELATED BENEFITS	178
25) OTHER ADMINISTRATIVE EXPENSES	178
26) TAX EXPENSES	178
27) OTHER OPERATING INCOME	179
28) OTHER OPERATING EXPENSES	179
29) NON-OPERATING INCOME (LOSS)	179
30) RELATED-PARTY TRANSACTIONS (DIRECT AND INDIRECT)	180
31) FINANCIAL INSTRUMENTS	182
32) EMPLOYEE BENEFITS	189
33) INCOME TAX AND SOCIAL CONTRIBUTION	190
34) OTHER INFORMATION	192

Consolidated Financial Statements, Independent Auditors' Report, Audit Committee Report Summary and Fiscal Council's Report

Notes to the Consolidated Financial Statements

1) OPERATIONS

Banco Bradesco S.A. (Bradesco) is a private-sector publicly traded company and universal bank that through its commercial, foreign exchange, consumer financing and housing loan portfolios carries out all the types of banking activities that it is authorized to do so. The Bank is involved in a number of other activities, either directly or indirectly, through its subsidiaries, specifically leasing, investment banking, brokerage, consortium management, credit cards, real estate projects, insurance, pension plans and capitalization bonds. All these activities are undertaken by the various companies in the Organização Bradesco, working together in an integrated fashion in the market.

2) PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS

Bradesco's consolidated financial statements include the financial statements for Banco Bradesco, its foreign branches and subsidiaries, in Brazil and overseas and SPEs (Special Purpose Entities). These statements were prepared using accounting practices in compliance with Laws No. 4,595/64 (Brazilian Financial System Law) and No. 6,404/76 (Brazilian Corporate Law), including amendments introduced by Laws No. 11,638/07 and No. 11,941/09, as they relate to the accounting for operations, complemented by the rules and instructions of the National Monetary Council (CMN) and the Brazilian Central Bank (Bacen), Brazilian Securities and Exchange Commission (CVM), where applicable, National Private Insurance Council (CNSP), Insurance Superintendence (Susep) and National Supplementary Healthcare Agency (ANS). The financial statements of the leasing companies included in the consolidated financial statements were prepared using the finance lease method, under which the book value of leased fixed assets less the residual value paid in advance.

In December 31, 2014 and in each quarter until September 30, 2015, the consolidated financial statements were prepared in accordance with the specific procedures established by Article 3 of the CMN Resolution No. 2,723/00, in force until March 31, 2015, and other provisions of the Accounting Plan of Financial Institutions – ("Cosif"), having as objective (i) to demonstrate the basis of information used by the Management to evaluate the performance and make decisions regarding the allocation of resources for investments and other purposes, among the companies of Organização Bradesco, as well as (ii) to maintain consistency based on information that was required by the regulator and already disclosed in previous periods. From December 31, 2015, for the preparation of these consolidated financial statements were applied, in addition to the provisions of the Accounting Plan of Financial Institutions – ("Cosif"), the consolidation procedures established by Technical Pronouncement CPC 36, which differ of certain criteria of consolidation used previously, although maintaining the same values of net income and shareholders' equity and without producing other relevant effects on the financial statements as a whole, whereby, for the

purpose of comparability, the balances of 2014, previously presented in Note 4 according to the CPC 23, are being presented again in the column "Balance Sheet and Statement of Managerial Income". The investment funds are consolidated where companies of the Organização Bradesco are the main beneficiaries or detain the main obligations. Intercompany transactions, including investments, assets and liabilities, revenue, expenses and unrealized profit were eliminated and net profit and shareholders' equity attributable to the non-controlling interests were accounted for in a separate line. Goodwill on the acquisition of investments in subsidiary/associate companies or jointly controlled entities is presented in the investments and intangible assets lines (Note 14a). The foreign exchange variation from foreign branches and, also, from investments, is presented in the income statement accounts used for changes in the value of the derivative financial instrument and borrowing and on-lending operations in order to offset these results with the hedges of these investments.

The financial statements include estimates and assumptions, such as: the calculation of estimated loan losses; fair value estimates of certain financial instruments; civil, tax and labor provisions; impairment losses of securities classified as available-for-sale and held-to-maturity securities and non-financial assets; the calculation of technical provisions for insurance, pension plans and capitalization bonds; and the determination of the useful life of specific assets. Actual results may differ from those based on estimates and assumptions.

Bradesco

Consolidated Financial Statements, Independent Auditors' Report, Audit Committee Report Summary and Fiscal Council's Report

Notes to the Consolidated Financial Statements

Bradesco's consolidated financial statements were approved by the Board of Directors on January 27, 2016.

Below are the significant directly and indirectly owned companies and investment funds included in the consolidated financial statements:

	Activity	On December 31 Equity interest	
		2015	2014
Financial Sector – Brazil			
Banco Alvorada S.A.	Banking	99.99%	99.99%
Banco Bradesco Financiamentos S.A.	Banking	100.00%	100.00%
Banco Bradesco BBI S.A.	Investment bank	99.80%	99.80%
Banco Boavista Interatlântico S.A.	Banking	100.00%	100.00%
Banco CBSS S.A.	Banking	100.00%	100.00%
Banco Bradesco Cartões S.A.	Cards	100.00%	100.00%
Bradesco Administradora de Consórcios Ltda.	Consortium management	100.00%	100.00%
Banco Bradesco BERJ S.A.	Banking	100.00%	100.00%
Bradesco Leasing S.A. Arrendamento Mercantil	Leasing	100.00%	100.00%
Bradesco S.A. Corretora de Títulos e Valores Mobiliários	Brokerage	100.00%	100.00%
BRAM - Bradesco Asset Management S.A. DTVM	Asset management	100.00%	100.00%
Ágora Corretora de Títulos e Valores Mobiliários S.A.	Brokerage	100.00%	100.00%
Banco Bradescard S.A.	Cards	100.00%	100.00%
Tempo Serviços Ltda.	Services	100.00%	100.00%
Financial Sector – Overseas			
Banco Bradesco Argentina S.A.	Banking	99.99%	99.99%
Banco Bradesco Europa S.A.	Banking	100.00%	100.00%
Banco Bradesco S.A. Grand Cayman Branch (1)	Banking	100.00%	100.00%
Banco Bradesco New York Branch	Banking	100.00%	100.00%
Bradesco Securities, Inc.	Brokerage	100.00%	100.00%
Bradesco Securities, UK.	Brokerage	100.00%	100.00%
Insurance, Pension Plan and Capitalization Bond Sector			
Bradesco Argentina de Seguros S.A.	Insurance	99.92%	99.92%
Bradesco Auto/RE Companhia de Seguros	Insurance	100.00%	100.00%
Bradesco Capitalização S.A.	Capitalization bonds	100.00%	100.00%
Bradesco Saúde S.A.	Insurance/health	100.00%	100.00%
Odontoprev S.A.	Dental care	50.01%	50.01%
Bradesco Seguros S.A.	Insurance	100.00%	100.00%

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Bradesco Vida e Previdência S.A.	Pension plan/insurance	100.00%	100.00%
Atlântica Companhia de Seguros	Insurance	100.00%	100.00%
Other Activities			
Andorra Holdings S.A.	Holding	100.00%	100.00%
Bradseg Participações S.A.	Holding	100.00%	100.00%
Bradescor Corretora de Seguros Ltda.	Insurance brokerage	100.00%	100.00%
Bradesplan Participações Ltda.	Holding	100.00%	100.00%
BSP Empreendimentos Imobiliários S.A.	Real estate	100.00%	100.00%
Cia. Securitizadora de Créditos Financeiros Rubi	Credit acquisition	100.00%	100.00%
Columbus Holdings S.A.	Holding	100.00%	100.00%
Nova Paiol Participações Ltda.	Holding	100.00%	100.00%
União Participações Ltda.	Holding	100.00%	100.00%
Investment Funds (2)			
Bradesco FI RF Master Previdência	Investment Fund	99.57%	99.96%
Bradesco FI RF Master II Previdência	Investment Fund	99.91%	99.76%
Bradesco FI RF Master III Previdência	Investment Fund	95.81%	99.94%
Bradesco FI Referenciado DI União	Investment Fund	99.80%	99.80%
Bradesco FI Referenciado DI Master	Investment Fund	99.53%	100.00%
Bradesco FI Referenciado DI Performance	Investment Fund	99.99%	100.00%
Bradesco FI RF Cred. Priv. Master	Investment Fund	97.65%	-
Bradesco Private FIC FI RF PGBL/VGBL Ativo	Investment Fund	99.99%	100.00%
Bradesco F.I. C.F.I.R.F. VGBL F10	Investment Fund	99.99%	100.00%
Bradesco F.I.C.F.I. R.F. VGBL Fix	Investment Fund	99.99%	100.00%

(1) The special purpose entity International Diversified Payment Rights Company is being consolidated. The company is part of a structure set up for the securitization of the future flow of payment orders received overseas; and

(2) The investment funds in which Bradesco assumes or retains substantially the risks and benefits were consolidated.

Consolidated Financial Statements, Independent Auditors' Report, Audit Committee Report Summary and Fiscal Council's Report

Notes to the Consolidated Financial Statements

3) SIGNIFICANT ACCOUNTING PRACTICES

a) Functional and presentation currencies

Consolidated financial statements are presented in Brazilian reais, which is also Bradesco's functional currency. Foreign branches and subsidiaries are mainly a continuation of activities in Brazil, and, therefore, assets, liabilities and profit or loss are translated into Brazilian reais using the appropriate currency exchange rate to comply with accounting practices adopted in Brazil. Foreign currency translation gains and losses arising are recognized in the period's income statement in the lines "Derivative Financial Instruments" and "Borrowing and On-lending".

b) Income and expense recognition

The result is calculated according to the regime of competence, which establishes that the revenues and expenses should be included in the calculation of the results for the periods in which they occur, always simultaneously when they are correlated, regardless of being a receipt or payment.

Fixed rate contracts are recorded at their redemption value with the income or expense relating to future periods being recorded as a deduction from the corresponding asset or liability. Finance income and costs are recognized daily on a pro-rata basis and calculated using the compounding method, except when they relate to discounted notes or to foreign transactions, which are calculated using the straight-line method.

Floating rate and foreign-currency-indexed contracts are adjusted for interest and foreign exchange rates applicable at the end of the reporting period.

Insurance and coinsurance premiums, net of premiums paid for coinsurance and related commissions, are recorded upon the issue of the related policies/certificates/endorsements and invoices, or upon the beginning of the exposure to risk in cases in which the risk begins before the issue, and recognized on a straight-line basis over the policies' effective period through the upfront recognition and subsequent reversal through the income statement of the unearned premium reserve and the deferred acquisition costs. Revenues from premiums and the corresponding deferred acquisition costs, relating to existing risk for which no policy has been issued, are recorded in the income statement at the beginning of the risk exposure, based on estimated figures.

Recognition of health insurance premiums commences with the effectiveness of the corresponding insurance policy, and is recognized in proportion to the portion of the term elapsed.

Income and expenses arising from Mandatory Insurance For Personal Injury Caused by Motor Vehicles (DPVAT) insurance operations are recorded based on information provided by Seguradora Líder dos Consórcios do Seguro DPVAT S.A.

Accepted coinsurance and retrocession operations are recorded based on the information received from other insurers and IRB - Brasil Resseguros S.A. (IRB), respectively.

Reinsurance operations are recorded based on the premium and claims information provided which is subject to the analysis of the re-insurers. The deductions of reinsurance premiums granted are consistent with the recognition of the corresponding insurance premium and/or terms of the reinsurance contract.

Acquisition costs, relative to the insurance commission, are deferred and recognized in profit or loss in proportion to the amount of premium recognized.

Contributions and agency fees are deferred and recognized in the income statement on a straight-line basis over a period of 24 months for health insurance operations, and 12 months for other operations.

Bradesco

Consolidated Financial Statements, Independent Auditors' Report, Audit Committee Report Summary and Fiscal Council's Report

Notes to the Consolidated Financial Statements

Pension plan contributions and life insurance premiums with survival coverage are recognized in the income statement as they are received.

The revenue of the capitalization plans are recognized in the accounts in the month in which they are issued, according to the types of collection, which may be in monthly payments or in a single payment. Each security has a nominal value, which is restated monetarily by the Reference Rate (TR) + 0.5% interest per month. Technical provisions are recorded when the respective revenues are recognized.

The revenues with prescribed capitalization plans are recognized after the period of prescription, according to the Brazilian legislation, that is up to 20 years for securities and draws not redeemed until November 2003 and of five years after this date. The expenses for placement of capitalization bonds, classified as "Acquisition Costs", are recognized in the income statement as incurred.

c) Cash and cash equivalents

Cash and cash equivalents include: funds available in currency, investments in gold, securities sold under agreements to repurchase and interest-earning deposits in other banks, maturing in 90 days or less, which are exposed to insignificant risk of change in fair value. These funds are used by Bradesco to manage its short-term commitments.

Cash and cash equivalents detailed balances are presented in Note 5.

d) Interbank investments

Unrestricted repurchase and reverse repurchase agreements are stated at their fair value. All other interbank investments are stated at cost, plus income earned up to the end of the reporting period, net of

any devaluation allowance, if applicable.

The breakdown, terms and proceeds relating to interbank investments are presented in Note 6.

e) Securities – Classification

- Trading securities – securities acquired for the purpose of being actively and frequently traded. They are recorded at cost, plus income earned and adjusted to fair value with movements recognized in the Income Statement for the period;
- Available-for-sale securities – securities that are not specifically intended for trading purposes or to be held to maturity. They are recorded at cost, plus income earned, which is recorded in profit or loss in the period and adjusted to fair value with movements recognized in shareholders' equity, net of tax, which will be transferred to the Income Statement only when effectively realized; and
- Held-to-maturity securities – securities for which there is positive intent and financial capacity to hold to maturity. They are recorded at cost, plus income earned recognized in the Income Statement for the period.

Securities classified as trading and available-for-sale, as well as derivative financial instruments, are recognized in the consolidated statement of financial position at their fair value. Fair value is generally based on quoted market prices or quotations for assets or liabilities with similar characteristics. If market prices are not available, fair values are based on traders' quotations, pricing models, discounted cash flows or similar techniques to determine the fair value and may require judgment or significant estimates by Management.

Classification, breakdown and segmentation of securities are presented in Note 7 (a to c).

f) Derivative financial instruments (assets and liabilities)

Derivate instruments are classified based on the objective for which the underlying instrument was acquired at the date of purchase, taking into consideration its use for possible hedging purposes.

Operations involving derivative financial instruments are designed to meet the Bank's own needs in order to manage overall exposure, as well as to meet customer requests to manage their positions. The gains or losses are recorded in profit-and-loss and shareholders' equity accounts.

Economic and Financial Analysis Report – December 2015

Consolidated Financial Statements, Independent Auditors' Report, Audit Committee Report Summary and Fiscal Council's Report

Notes to the Consolidated Financial Statements

Derivative financial instruments used to mitigate risk deriving from exposure to variations in the fair value of financial assets and liabilities are designated as hedges when they meet the criteria for hedge accounting and are classified according to their nature:

- Market risk hedge: the gains and losses, realized or not, of the financial instruments classified in this category as well as the financial assets and liabilities, that are the object of the hedge, are recorded in the Income Statement; and
- Cash flow hedge: the effective portion of valuation or devaluation of the financial instruments classified in this category is recorded, net of taxes, in a specific account in shareholders' equity. The ineffective portion of the hedge is recognized directly in the Income Statement.

A breakdown of amounts included as derivative financial instruments, in the balance sheet and off-balance-sheet accounts, is disclosed in Note 7 (d to g).

g) Loans and leasing, advances on foreign exchange contracts, other receivables with credit characteristics and allowance for loan losses

Loans and leasing, advances on foreign exchange contracts and other receivables with credit characteristics are classified by risk level, based on: (i) the parameters established by CMN Resolution No. 2,682/99, which requires risk ratings to have nine levels, from "AA" (minimum risk) to "H" (maximum risk); and (ii) Management's assessment of the risk level. This assessment, which is carried out regularly, considers current economic conditions and past experience with loan losses, as well as specific and general risks relating to operations, debtors and guarantors. Moreover, the days-past-due is also considered in the rating of customer risk as per CMN Resolution No. 2,682/99, as follows:

Past-due period (1)	Customer rating
• from 15 to 30 days	B
• from 31 to 60 days	C
• from 61 to 90 days	D
• from 91 to 120 days	E
• from 121 to 150 days	F
• from 151 to 180 days	G
• more than 180 days	H

(1) For transactions with terms of more than 36 months, past-due periods are doubled, as permitted by CMN Resolution No. 2,682/99.

Interest and inflation adjustments on past-due transactions are only recognized in the Income Statement up to the 59th day that they are past due. As from the 60th day, they are recognized in off-balance sheet accounts and are only recognized in the Income Statement when received.

H-rated past-due transactions remain at this level for six months, after which they are written-off against the existing allowance and controlled in off-balance-sheet accounts for at least five years.

Renegotiated transactions are held at the same rating as on the date of the renegotiation or classified in a higher risk rating. Renegotiations already written-off against the allowance and that were recorded in off-balance-sheet accounts, are rated as level "H" and any possible gains derived from their renegotiation are recognized only when they are effectively received. When there is a significant repayment on the operation or when new material facts justify a change in the level of risk, the operation may be reclassified to a lower risk category.

Bradesco

Consolidated Financial Statements, Independent Auditors' Report, Audit Committee Report Summary and Fiscal Council's Report

Notes to the Consolidated Financial Statements

The estimated allowance for loan losses is calculated to sufficiently cover probable losses, considering CMN and Bacen standards and instructions, together with Management's assessment of the credit risk.

Type, values, terms, levels of risk, concentration, economic sector of client's activity, renegotiation and income from loans, as well as the breakdown of expenses and statement of financial position accounts for the allowance for loan losses are presented in Note 9.

h) Income tax and social contribution (assets and liabilities)

Income tax and social contribution deferred tax assets, calculated on income tax losses, social contribution losses and temporary differences, are recorded in "Other Receivables - Sundry" and the deferred tax liabilities on tax differences in leasing depreciation (applicable only for income tax), mark-to-market adjustments on securities, restatement of judicial deposits, among others, are recorded in "Other Liabilities - Tax and Social Security".

Deferred tax assets on temporary differences are realized when the difference between the accounting treatment and the income tax treatment reverses. Deferred tax assets on income tax and social contribution losses are realizable when taxable income is generated, up to the 30% limit of the taxable profit for the period. Deferred tax assets are recorded based on current expectations of realization considering technical studies and analyses carried out by Management.

The provision for income tax is calculated at 15% of taxable income plus a 10% surcharge. For financial companies, equated and of the insurance industry, the social contribution on the profit was calculated until August 2015, considering the rate of 15%. For the period between September 2015 and December 2018, the rate was changed to 20%, according to Law No. 13,169/15, returning to the rate of 15% as from January 2019. For the other companies, the social contribution is calculated considering the rate of 9%.

Due to the amendment of the rate, the Organização Bradesco constituted, in September 2015, a supplement to the tax credit of social contribution, considering the annual expectations of achievement and their respective rates in force in each period, according to the technical study conducted.

Provisions were recorded for other income tax and social contribution in accordance with specific applicable legislation.

Changes in the criteria to recognize revenue, costs and expenses included in the net profit for the period, enacted by Law No. 11,638/07 and subsequent amendments were made fiscally by the new regime of the taxation in force instituted by Law No. 12,973/14.

The breakdown of income tax and social contribution, showing the calculations, the origin and expected use of deferred tax assets, as well as unrecorded deferred tax assets, are presented in Note 33.

i) Prepaid expenses

Prepaid expenses consist of funds already disbursed for future benefits or services, which are recognized in the profit or loss on an accrual basis.

Incurred costs relating to assets that will generate revenue in subsequent periods are recorded in the Income Statement according to the terms and the amount of expected benefits and directly written-off in the Income Statement when the corresponding assets or rights are no longer part of the institution's assets or when future benefits are no longer expected.

In the case of the remuneration paid by the origination of credit operations to the banking correspondents related to credit operations originated during 2015, Bradesco opted to recognize 2/3 of the total value of compensation, pursuant to the provisions of Bacen Circular No. 3,738/14.

Prepaid expenses are shown in detail in Note 11b.

Consolidated Financial Statements, Independent Auditors' Report, Audit Committee Report Summary and Fiscal Council's Report

Notes to the Consolidated Financial Statements

j) Investments

Investments in unconsolidated and jointly subsidiaries, where Bradesco has significant influence over the investee or holds at least 20% of the voting rights, are accounted for using the equity method.

Tax incentives and other investments are stated at cost, less allowance for losses/impairment, where applicable.

Subsidiaries entities are consolidated – the composition of the main companies can be found in Note 2. The composition of unconsolidated and jointly subsidiaries, as well as other investments, can be found in Note 12.

k) Premises and equipment

Relates to the tangible assets used by the Bank in its activities, including those resulting from transactions that transfer risks, benefits and control of the assets to the Bank.

Premises and equipment are stated at acquisition cost, net of accumulated depreciation, calculated by the straight-line method based on the assets' estimated economic useful life, using the following rates: real estate – 4% per annum; installations, furniture, equipment for use, security systems and communications – 10% per annum; transport systems – 20% per annum; and data-processing systems – 20% to 50% per annum, and adjusted for impairment, when applicable.

The breakdown of asset costs and their corresponding depreciation, as well as the unrecorded surplus value for real estate and the fixed asset ratios, are presented in Note 13.

l) Intangible assets

Relates to the right over intangible assets used by the Bank in its activities.

Intangible assets comprise of:

- Future profitability/acquired client portfolio and acquisition of right to provide banking services: they are recorded and amortized over the period in which the asset will directly and indirectly contribute to future cash flows and adjusted for impairment, where applicable; and
- Software: stated at cost less amortization calculated on a straight-line basis over the estimated useful life (20% to 50% p.a.), from the date it is available for use and adjusted for impairment, where applicable. Internal software development costs are recognized as an intangible asset when it is possible to show the intent and ability to complete and use the software, as well as to reliably measure costs directly attributable to the intangible asset. These costs are amortized during the software's estimated useful life, considering the expected future economic benefits.

Intangible assets and the movement in these balances by class, are presented in Note 14.

m) Impairment

Financial and non-financial assets are tested for impairment.

Impairment evidence may comprise the non-payment or payment delay by the debtor, possible bankruptcy process or the significant or extended decline in an asset value.

An impairment loss of a financial or non-financial asset is recognized in the profit or loss for the period if the book value of an asset or cash-generating unit exceeds its recoverable value. Impairment losses are presented in Note 7c⁽⁸⁾, 13 and 14.

n) Securities sold under agreements to repurchase

These are recognized at the value of the liabilities and include, when applicable, related charges up to the end of the reporting period, calculated on a daily pro-rata basis.

Bradesco

Consolidated Financial Statements, Independent Auditors' Report, Audit Committee Report Summary and Fiscal Council's Report

Notes to the Consolidated Financial Statements

A breakdown of the contracts recorded in deposits and securities sold under agreements to repurchase, as well as terms and amounts recognized in the statement of financial position and income statement, is presented in Note 15.

o) Technical provisions relating to insurance, pension plans and capitalization bonds

- Damage, health and group insurance lines, except life insurance with survival coverage:
 - The unearned premium reserve (PPNG) is calculated on a daily pro-rata basis, using premiums net of coinsurance, but including amounts ceded through reinsurance, and is comprised of the portion corresponding to the remaining period of coverage less initial contracting costs, except for health and personal insurance. The portion of these reserves corresponding to the estimate for risks in effect but not yet contracted is designated 'PPNG-RVNE';
 - The unearned premium or contribution reserve (PPCNG) is calculated on a daily pro-rata basis based on the portion of health insurance premiums corresponding to the remaining period of coverage, of the currently effective contracts;
 - The mathematical reserve for unvested benefits (PMBaC) is calculated as the difference between the current value of future benefits and the current value of future contributions, on obligations already assumed by Bradesco;
 - The mathematical reserve for unvested benefits (PMBaC) relates to the individual health care plan portfolio and covers the risk related to the cover for the holder's dependents for five years following the death of the holder. It is calculated using a 5.2% annual discount rate, the time holders are expected to remain in the plan up to their death, and the projected costs of the five-year-period cover, excluding payment of premiums;

- For the health insurance, the mathematical reserve of benefits granted (PMBC) is constituted by the obligations arising from the contractual clauses of remission of installments in cash, regarding the coverage of health assistance and by the premiums through payment of insured persons participating in the Bradesco Saúde insurance - "GBS Plan", taking as a basis the present value of estimated future expenditure with the costs of health care of dependents of holders already deceased, as provided for in the ANS Normative Resolution No. 75/04, and considering a discount rate of 5.2% per annum;

- For the health insurance, the reserve for claims incurred but not reported (IBNR) is calculated from the final estimate of claims already incurred and still not reported, based on the run-off triangles, monthly that consider the historical development of claims advised in the last 12 months to establish a future projection per period of occurrence;

- For non-life insurance, the reserve for 'incurred but not reported' (IBNR) claims is calculated based on incurred but not paid' (IBNP) claims less the balance of the reserve for 'unsettled' claims (PSL) on the calculation date. A final estimate of IBNP is calculated using semi-annual run-off triangles. The run-off triangles consider the historical development of claims paid in the previous 14 half-year periods to determine a future projection per occurrence period, and considers the estimated claims 'incurred but not sufficient' reported (IBNER), reflecting the changing expectation of the amount provisioned along the regulatory process;

- For other life insurance, the reserve for 'incurred but not reported' (IBNR) claims is calculated based on incurred but not paid (IBNP) claims less the reserve for unsettled claims (PSL) on the calculation date. A final estimate of IBNP claims is calculated using semi-annual run-off triangles. The run-off triangles consider the historical development of claims paid in the previous 16 half-year periods to determine a future projection per occurrence period;

- The reserve for unsettled claims (PSL) considers all claim notifications received up to the end of the reporting period. The reserve is adjusted for inflation and includes all claims in litigation;

Consolidated Financial Statements, Independent Auditors' Report, Audit Committee Report Summary and Fiscal Council's Report

Notes to the Consolidated Financial Statements

- For non-life insurance, the reserve for unsettled claims (PSL) is determined based on the indemnity payment estimates, considering all administrative and judicial claims existing at the reporting date, net of the expected payments to be received;
- The reserve for related expenses (PDR) is recorded to cover expenses related to estimated claims and benefits. For products structured in self-funding and partially regimes, the reserve covers claims incurred. For plans structured under a capitalization regime, the reserve is made to cover the expected expenses related to incurred claims and also claims expected to be incurred in the future;
- For damage insurance, the reserve for related expenses (PDR) is calculated on a monthly basis to cover the expenses related to indemnity payment, and it covers the expenses allocated individually to each claim, as well as expenses related to claims that have not been itemized, that is, those at the level of the portfolio;
- The reserve for redemptions and other amounts to be settled (PVR) comprises figures related to redemptions to settle, premium refunds owed and portability (transfer-outs) requested but not yet transferred to the recipient insurer;
- The reserve for technical surplus (PET) corresponds to the difference between the expected and the observed amounts for events in the period for personal insurance that have a technical surplus participation clause;
- The complementary reserve for coverage (PCC) refers to the amount necessary to complement technical provisions, as calculated in the Liability Adequacy Test (LAT), which is prepared using statistical and actuarial methods based on realistic assumptions, taking into account the biometric table BR-EMS of both genders, improvement of G Scale and forward interest rate curves (ETTJ) free from risk as authorized by SUSEP. The improvement rate is calculated from automatic updates of the biometric table, considering the expected increase in future life expectancy; and

- Other reserves are recorded for the individual health portfolio to address the differences between the expected present value of future premiums and the expected present value of indemnities and related expenses, using an annual discount rate of 5.2%.

- Pension plans and life insurance with survival coverage:
 - The unearned premium reserve (PPNG) is calculated on a daily prorated basis using net premiums, and is comprised of the portion corresponding to the remaining period of coverage and includes an estimate for risks covered but not yet issued (RVNE);

 - The mathematical reserve for unvested benefits (PMBaC) is recorded for participants who have not yet received any benefit. In defined benefit pension plans, the reserve represents the difference between the present value of future benefits and the present value of future contributions, corresponding to obligations in the form of retirement, disability, pension and annuity plans. The reserve is calculated using methodologies and assumptions set forth in the actuarial technical notes;

 - The mathematical reserve for unvested benefits (PMBaC) related to life insurance and unrestricted benefit pension plans (VGBl and PGBL), as well as the defined contribution plans, shows the value of participant contributions, net of costs and other contractual charges, plus income from investment in specially constituted investment funds (FIE);

 - The reserve for redemptions and other amounts to be settled (PVR) comprises figures related to redemptions to settle, premium refunds owed and portability requested but not yet transferred to the recipient insurer;

 - The mathematical reserve for vested benefits (PMBC) is recognized for participants already receiving benefits and corresponds to the present value of future obligations related to the payment of those on-going benefits;

Consolidated Financial Statements, Independent Auditors' Report, Audit Committee Report Summary and Fiscal Council's Report

Notes to the Consolidated Financial Statements

- The complementary reserve for coverage (PCC) refers to the amount necessary to complement technical provisions, as calculated in the Liability Adequacy Test (LAT), which is prepared semi-annually using statistical and actuarial methods based on realistic assumptions, taking into account the biometric table BR-EMS of both genders, improvement of G Scale and forward interest rate curves (ETTJ) free from risk as authorized by SUSEP. The improvement rate is calculated from automatic updates of the biometric table, considering the expected increase in future life expectancy;

 - The reserve for related expenses (PDR) is recorded to cover expenses related to estimated claims and benefits. For products structured in self-funding and partially regimes, the reserve covers claims incurred. For plans structured under a capitalization regime, the reserve is made to cover the expected expenses related to incurred claims and also claims expected to be incurred in the future;

 - The reserve for financial surplus (PEF) corresponds to the portion of income from investment of reserves that exceeds the minimum returns due to policyholders of pension plans that have a profit share clause;

 - The reserve for incurred and not reported (IBNR) events is constituted for claims incurred but not reported and is based on run-off triangles, which consider the loss development of claims in the previous 96 months to set forth a future projection by occurrence period; and

 - The reserve for unsettled claims (PSL) considers all loss notices received up to the end of the reporting period. The provision is updated for inflation and includes all claims in litigation.
- Capitalization bonds:

- The mathematical reserve for capitalization bond (PMC) is recorded for each active or suspended capitalization bond over the term set forth in the general conditions of the plan, and is calculated using the capitalization percentage, applicable to each payments made, plus the monthly accrual calculated using the inflation index and the interest rate established in the plan until the bond is redeemed or canceled;

- The reserve for redemption (PR) comprises the values of matured and early-terminated capitalization bonds and is calculated by updating the balance of bonds whose terms have expired or canceled using the inflation index until the holder receives the redemption payment;

- Reserve for 'draws to be held' (PSR) is recorded to cover premiums for future prize draws, and the balance represents the present value of the draws that have already been funded but have not yet been held. The calculation methodology consists of the accumulation of the prize draw percentage applicable to each payment, as established in the plan, less the amounts related to prize draws that have already occurred. The percentages of payments designated for the prize draws is defined in advance in the actuarial technical note, and is not modified during the term of the bond;

- Reserve for draws payable (PSP) consists of the value of unpaid prize draw amounts, adjusted for inflation for the period between the date of the drawing and its effective settlement; and

- Reserve for administrative expense (PDA) is recorded to cover the cost of maintaining the single payment (PU) capitalization bonds.

Technical provisions shown by account, product and segment, as well as amounts and details of plan assets covering these technical provisions, are shown in Note 20.

p) Provisions, contingent assets and liabilities and legal obligations – tax and social security

Provisions, contingent assets and liabilities, and legal obligations, as defined below, are recognized, measured and disclosed in accordance with the criteria set out in CPC 25, approved by CMN Resolution No. 3,823/09 and CVM Resolution No. 594/09:

Consolidated Financial Statements, Independent Auditors' Report, Audit Committee Report Summary and Fiscal Council's Report

Notes to the Consolidated Financial Statements

- **Contingent Assets:** these are not recognized in the financial statements, except to the extent that there are real guarantees or favorable judicial decisions, to which no further appeals are applicable, and confirmation of the capacity of the counterparty to pay or the ability of Bradesco to realize the asset via compensation against another liability upon which the gain is considered practically certain. Contingent assets with a chance of probable success are disclosed in the notes to the financial statements;
- **Provisions:** these are recorded taking into consideration the opinion of legal counsel, the nature of the lawsuits, similarity with previous lawsuits, complexity and positioning of the courts, whenever the loss is deemed probable, it requires a probable outflow of funds to settle the obligation and when the amount can be reliably measured;
- **Contingent Liabilities:** according to CPC 25, the term "contingent" is used for liabilities that are not recognized because their existence will only be confirmed by the occurrence of one or more uncertain future events beyond Management's control. Contingent liabilities do not meet the criteria for recognition because they are considered as possible losses should only be disclosed in the notes when relevant. Obligations deemed remote are not recorded as a provision nor disclosed; and
- **Legal Obligations – Provision for Tax Risks:** results from judicial proceedings, which contest the applicability of tax laws on the grounds of legality or constitutionality, which, regardless of the assessment of the probability of success, are fully provided for in the financial statements.

Details on lawsuits, as well as segregation and changes in amounts recorded, by type, are presented in Note 17.

q) Funding expenses

Expenses related to funding transactions involving the issuance of securities reduce the corresponding liability and are recognized in the profit or loss over the term of the transaction. They are presented in

Notes 15c and 18.

r) Other assets and liabilities

Assets are stated at their realizable amounts, including, when applicable, related income and inflation and exchange variations (on a daily prorated basis), less provision for losses, when deemed appropriate. Liabilities include known or measurable amounts, including related charges and inflation and exchange variations (on a daily prorated basis).

s) Subsequent events

These refer to events occurring between the reporting date and the date the financial statements are authorized to be issued.

They comprise the following:

- Events resulting in adjustments: events relating to conditions already existing at the end of the reporting period; and
- Events not resulting in adjustments: events relating to conditions not existing at the end of the reporting period.

Subsequent events, if any, are described in Note 34.

Bradesco

Consolidated Financial Statements, Independent Auditors' Report, Audit Committee Report Summary and Fiscal Council's Report

Notes to the Consolidated Financial Statements**4) STATEMENT OF FINANCIAL POSITION AND MANAGERIAL RESULT STATEMENT BY OPERATING SEGMENT****a) Conciliation of the Balance Sheet and Statement of Income – Accountings. Managerial ⁽¹⁾**

The Management uses a variety of information, including those from financial statements, in accordance with accounting practices adopted in Brazil applicable to institutions authorized to operate by the Central Bank, prepared by consolidation criteria that differ in part from the criteria of CPC 36, as described in Note 2.

The main differences of consolidation criteria are shown below, through the Conciliation of the Balance Sheet and the Statement of Income – Accountings. Managerial:

	2015				
	Accounting Balance Sheet	Proportional Companies (2)	Adjustments of Consolidation (3)	Managerial Balance Sheet	Account Balance Sheet
Assets					
Current and long-term assets	1,000,515,282	7,839,794	51,412,744	1,059,767,820	909,944,
Funds available	17,299,879	157,618	-	17,457,497	14,505,
Interbank investments	140,644,248	286,510	(473,904)	140,456,854	202,509,
Securities and derivative financial instruments	354,336,059	1,222,260	52,025,646	407,583,965	243,721,
Interbank and interdepartmental accounts	55,728,603	-	-	55,728,603	52,003,
Loan and leasing	333,496,811	357,582	-	333,854,393	317,888,
Allowance for Loan Losses (ALL)	(28,722,416)	(82,239)	-	(28,804,655)	(22,647,2
Other receivables and assets	127,732,098	5,898,063	(138,998)	133,491,163	101,962,
Fixed Assets	18,392,629	1,594,253	-	19,986,882	16,255,
Investments	5,824,255	(4,236,971)	-	1,587,284	4,336,

Premises and equipment	5,495,852	275,726	-	5,771,578	4,646,
Intangible assets	7,072,522	5,555,498	-	12,628,020	7,272,
Total	1,018,907,911	9,434,047	51,412,744	1,079,754,702	926,199,

Economic and Financial Analysis Report – December 2015

Consolidated Financial Statements, Independent Auditors' Report, Audit Committee Report Summary and Fiscal Council's Report

Notes to the Consolidated Financial Statements

	2015				
	Accounting Balance Sheet	Proportional Companies (2)	Adjustments of Consolidation (3)	Managerial Balance Sheet (4)	Accounting Balance Sheet
Liabilities					
Current and long-term liabilities	929,082,644	8,338,439	51,412,744	988,833,827	844,011,635
Deposits	195,784,251	(24,386)	-	195,759,865	211,635
Securities sold under agreements to repurchase	222,277,776	-	57,447,746	279,725,522	219,350
Funds from Issuance of Securities	109,546,548	-	-	109,546,548	84,820
Interbank and interdepartmental accounts	6,384,085	-	-	6,384,085	5,950
Borrowing and on-lending	70,337,884	-	-	70,337,884	58,990
Derivative financial instruments	19,345,729	-	(5,560,675)	13,785,054	3,310
Provisions for insurance, pension plans and capitalization bonds	177,834,423	-	-	177,834,423	153,260
Other liabilities	127,571,948	8,362,825	(474,327)	135,460,446	106,650
Deferred income	523,545	4,969	-	528,514	28,514
Non-controlling interests in subsidiaries	395,078	1,090,639	-	1,485,717	395,078
Shareholders' equity	88,906,644	-	-	88,906,644	81,500
Total	1,018,907,911	9,434,047	51,412,744	1,079,754,702	926,190

	Year ended on December 31, 2015			Year ended on December 31, 2014		
	Accounting DRE	Proportional Companies (2)	Adjustments of Consolidation (3)	Managerial DRE	Accounting DRE	Proportional Companies (2)
Revenue from financial intermediation	133,188,251	438,161	6,145,500	139,771,912	107,350,123	233,188,251
Financial intermediation expenses	(85,432,625)	-	(7,703,192)	(93,135,817)	(57,806,352)	(85,432,625)
Net Interest Income	47,755,626	438,161	(1,557,692)	46,636,095	49,543,771	233,188,251
ALL	(20,611,491)	(111,000)	-	(20,722,491)	(14,342,442)	(108,953,932)
Gross Income from Mediation	27,144,135	327,161	(1,557,692)	25,913,604	35,201,329	124,234,319
Income from Insurance, Pension Plans and Capitalization Bonds	5,950,672	-	-	5,950,672	5,802,670	5,950,672
Fee and Commission Income	19,300,970	4,016,268	1,425,915	24,743,153	17,934,028	2,600,000
Personnel Expenses	(14,328,559)	(638,216)	-	(14,966,775)	(13,924,319)	(530,000)

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Other administrative expenses	(15,641,694)	(1,328,080)	465,582	(16,504,192)	(14,365,295)	(1,052,000)
Tax expenses	(4,791,745)	(436,094)	-	(5,227,839)	(3,922,163)	(309,000)
Equity in the Earnings (Losses) of Affiliates and jointly subsidiaries	1,485,880	(1,343,215)	-	142,665	1,310,248	(1,122,000)
Other Operating Income / Expenses	(9,494,232)	(20,466)	(333,805)	(9,848,503)	(7,526,593)	82,000
Operating Income	9,625,427	577,358	-	10,202,785	20,509,905	54,000
Non-Operating Income	(512,262)	(86,864)	-	(599,126)	(513,040)	(2,000)
IT/SC (Income Tax/Soc. Contrib.) and Non-controlling interests	8,076,470	(490,494)	-	7,585,976	(4,908,047)	(540,000)
Net Profit	17,189,635	-	-	17,189,635	15,088,818	-

(1) With respect to the Cash-flow Statement, the figures related to the financial year of 2014 do not differ from those previously submitted;

(2) Refers to the effects of the consolidation adjustments arising from the undertakings consolidated proportionally (Grupo Cielo, Grupo Alelo, Crediare, Leader Card, etc.);

(3) Refers basically to the effects of the consolidation adjustments arising from the "non-consolidation" of the exclusive funds; and

(4) For the purpose of comparability, the balances concerning the financial years of 2014 and 2013 are being presented again in the column "Management Balance Sheet" and also the balances related to the financial year of 2014, as required by CPC 23.

Bradesco

Consolidated Financial Statements, Independent Auditors' Report, Audit Committee Report Summary and Fiscal Council's Report

Notes to the Consolidated Financial Statements**b) Balance sheet and statement of income by segment – Managerial**

In line with CPC 22 (IFRS 8), the managerial information, hereinafter, was prepared based on reports available to the Management to evaluate the performance and make decisions regarding the allocation of resources for investments and other purposes.

	Financial (1) (2)		Insurance (3)
	Brazil	Overseas	Brazil
Assets			
Current and long-term assets	803,669,038	158,235,680	205,498,200
Funds available	34,408,130	5,864,720	148,070,000
Interbank investments	138,196,436	2,260,418	
Securities and derivative financial instruments	198,881,615	18,303,633	191,771,170
Interbank and interdepartmental accounts	55,728,603	-	
Loan and leasing	282,796,899	131,033,954	
Allowance for Loan Losses (ALL)	(26,591,025)	(2,213,630)	
Other receivables and assets	120,248,380	2,986,585	13,578,950
Permanent assets	101,287,046	57,012	4,248,720
Investments	86,850,267	(196)	1,270,690
Premises and equipment	4,280,750	27,854	1,434,900
Intangible assets	10,156,029	29,354	1,543,120
Total in 2015	904,956,084	158,292,692	209,746,920
Total in 2014	858,378,742	108,834,188	181,861,640
Liabilities			
Current and long-term liabilities	804,817,802	104,127,274	188,785,960
Deposits	168,092,366	50,787,564	
Securities sold under agreements to repurchase	276,060,606	4,141,520	
Funds from issuance of securities	102,480,110	9,477,172	
Interbank and interdepartmental accounts	6,384,085	-	
Borrowing and on-lending	126,499,677	23,814,667	
Derivative financial instruments	12,601,955	1,183,099	
Technical provisions from insurance, pension plans and capitalization bonds	-	-	-177,833,470
Other liabilities	112,699,003	14,723,252	10,952,480
Deferred income	638,409	-	22,140
Non-controlling interests in subsidiaries	10,593,229	54,165,418	20,938,810

Shareholders' equity	88,906,644	-
Total in 2015	904,956,084	158,292,692
Total in 2014	858,378,742	108,834,188

Economic and Financial Analysis Report – December 2015

Consolidated Financial Statements, Independent Auditors' Report, Audit Committee Report Summary and Fiscal Council's Report

Notes to the Consolidated Financial Statements

	Financial (1) (2)		Insurance Group (2) (3)	
	Brazil	Overseas	Brazil	Overseas
Revenue from financial intermediation	116,240,006	3,486,683	21,136,111	
Financial intermediation expenses	(76,653,484)	(1,726,125)	(16,038,504)	
Net Interest Income	39,586,522	1,760,558	5,097,607	
ALL	(20,932,708)	210,217	-	
Gross Income from Mediation	18,653,814	1,970,775	5,097,607	
Income from Insurance, Pension Plans and Capitalization Bonds	-	-	5,951,642	(97)
Fee and Commission Income	22,784,503	234,391	1,528,800	
Personnel Expenses	(13,355,972)	(156,199)	(1,216,593)	(52)
Other administrative expenses	(15,160,298)	(251,223)	(1,442,304)	(26)
Tax expenses	(4,208,812)	(19,876)	(934,532)	(13)
Equity in the Earnings (Losses) of Affiliates and jointly subsidiaries	8,451	-	132,883	
Other Operating Income / Expenses	(8,996,492)	(226,653)	(390,141)	1,26
Operating Income	(274,806)	1,551,215	8,727,362	(63)
Non-Operating Income	(455,922)	106,548	(244,912)	
IT/SC (Income Tax/Soc. Contrib.) and Non-controlling interests	11,169,937	(343,299)	(3,192,792)	(1)
Net Profit in 2015	10,439,209	1,314,464	5,289,658	(65)
Net Profit in 2014	10,486,886	10,994	4,405,598	18

(1) The financial segment is comprised of financial institutions, holding companies which are mainly responsible for managing financial resources, and credit card, consortium and asset management companies;

(2) The asset, liability, income and expense balances among companies from the same segment are eliminated;

(3) The Insurance Group segment comprises insurance, pension plan and capitalization bond companies; and

(4) Refers to amounts eliminated among companies from different segments, as well as among operations carried out in Brazil and overseas.

5) CASH AND CASH EQUIVALENTS

	On December 31 - R\$ thousand	
	2015	2014
Cash and due from banks in domestic currency	9,215,083	10,800,176
Cash and due from banks in foreign currency	8,084,654	3,705,377
Investments in gold	142	107
Total cash and due from banks	17,299,879	14,505,660
Interbank investments (1)	129,961,555	190,166,087
Total cash and cash equivalents	147,261,434	204,671,747

(1) Refers to operations that mature in 90 days or less from the date they were effectively invested and with insignificant risk of change in fair value.

Bradesco

Consolidated Financial Statements, Independent Auditors' Report, Audit Committee Report Summary and Fiscal Council's Report

Notes to the Consolidated Financial Statements**6) INTERBANK INVESTMENTS****a) Breakdown and maturity**

	1 to 30 days	31 to 180 days	181 to 360 days	On December 31 - R\$ tho More than 360 days	2015	2014
Securities purchased under agreements to resell:						
Own portfolio position	19,129,297	-	-	-	19,129,297	56,511,131
Financial treasury bills	199,996	-	-	-	199,996	8,711,131
National treasury notes	10,287,949	-	-	-	10,287,949	35,811,131
National treasury bills	8,274,844	-	-	-	8,274,844	11,811,131
Debentures	362,215	-	-	-	362,215	-
Other	4,293	-	-	-	4,293	-
Funded position	110,746,279	265,088	-	-	-111,011,367	136,711,131
Financial treasury bills	-	-	-	-	-	13,511,131
National treasury notes	67,357,677	265,088	-	-	67,622,765	75,011,131
National treasury bills	43,388,602	-	-	-	43,388,602	48,111,131
Short position	129,061	241,698	-	-	370,759	811,131
National treasury bills	129,061	241,698	-	-	370,759	811,131
Subtotal	130,004,637	506,786	-	-	-130,511,423	194,111,131
Interest-earning deposits in other banks:						
Interest-earning deposits in other banks:	4,694,275	3,692,207	1,266,047	515,131	10,167,660	8,311,131
Provision for losses	(9,195)	(2,475)	(23,165)	-	(34,835)	(211,131)
Subtotal	4,685,080	3,689,732	1,242,882	515,131	10,132,825	8,311,131
Total in 2015	134,689,717	4,196,518	1,242,882	515,131	140,644,248	202,511,131
%	95.8	3.0	0.9	0.3	100.0	
Total in 2014	196,090,175	4,436,983	1,209,412	772,794		202,511,131
%	96.8	2.2	0.6	0.4		

b) Income from interbank investments

Classified in the income statement as income from operations with securities.

	December 31 YTD - R\$ thousand	
	2015	2014
Income from investments in purchase and sale commitments:		
•Own portfolio position	302,249	295,045
•Funded position	19,708,089	14,927,863
•Short position	382,362	416,333
Subtotal	20,392,700	15,640,241
Income from interest-earning deposits in other banks	529,716	609,982
Total (Note 7h)	20,922,416	16,250,223

Economic and Financial Analysis Report – December 2015

Consolidated Financial Statements, Independent Auditors' Report, Audit Committee Report Summary and Fiscal Council's Report

Notes to the Consolidated Financial Statements**7) SECURITIES AND DERIVATIVE FINANCIAL INSTRUMENTS**

Information on securities and derivative financial instruments is as follows:

a) Summary of the consolidated classification of securities by operating segment and issuer

	On December 31 - R\$ thousand							
	Financial	Insurance/ Capitalization bonds	Pension plans	Other Activities	2015	%	2014	%
Trading securities	45,924,455	12,074,786	105,248,360	555,408	163,803,009	46.3	84,533,054	34.7
- Government securities	14,999,710	6,599,911	74,384,811	40,763	96,025,195	27.1	36,759,332	15.1
- Corporate securities	11,948,044	5,474,875	30,807,269	514,645	48,744,833	13.8	43,186,363	17.7
- Derivative financial instruments (1) (6)	18,976,701	-	56,280	-	19,032,981	5.4	4,587,359	1.9
Available-for-sale securities (2)	128,547,093	12,132,334	9,844,992	5,072	150,529,491	42.5	134,117,245	55.0
- Government securities	75,794,170	11,099,466	8,616,164	-	95,509,800	27.0	73,637,335	30.2
- Corporate securities	52,752,923	1,032,868	1,228,828	5,072	55,019,691	15.5	60,479,910	24.8
Held-to-maturity securities (2)	12,598,538	4,704,538	22,700,484	-	40,003,560	11.2	25,071,031	10.3
- Government securities	41,092	4,704,538	22,700,484	-	27,446,114	7.7	25,071,031	10.3
- Corporate securities	12,557,446	-	-	-	12,557,446	3.5	-	-
Grand total	187,070,086	28,911,658	137,793,836	560,480	354,336,060	100.0	243,721,330	100.0
- Government securities	90,834,972	22,403,915	105,701,459	40,763	218,981,109	61.8	135,467,698	55.6
	96,235,114	6,507,743	32,092,377	519,717	135,354,951	38.2	108,253,632	44.4

- Corporate
securities

Grand total **187,070,086** **28,911,658** **137,793,836** **560,480** **354,336,060** **100.0** **243,721,330** **100.0**

Bradesco

Consolidated Financial Statements, Independent Auditors' Report, Audit Committee Report Summary and Fiscal Council's Report

Notes to the Consolidated Financial Statements**b) Consolidated classification by category, maturity and operating segment****l) Trading securities**

Securities	2015				Fair/book value		
	1 to 30 days	31 to 180 days	181 to 360 days	More than 360 days	(3)	(4)	(5)
- Financial	20,598,244	6,989,669	4,849,501	13,487,041	45,924,455		
National treasury bills	43,056	762,389	239,810	226,823	1,272,078		
Financial treasury bills	-	2,293,140	3,133,351	3,043,257	8,469,748		
Bank deposit certificates	20,678	527,148	-	-	547,826		
Derivative financial instruments (1) (6)	18,070,953	510,688	257,735	136,894	18,976,270		
Debentures (7)	-	311,371	57,860	2,467,260	2,836,491		
National treasury notes	-	105,776	179,147	3,072,229	3,357,152		
Other	2,463,557	2,479,157	981,598	4,540,578	10,464,890		
- Insurance companies and capitalization bonds	4,546,839	1,197,549	6,220,369	110,029	12,074,786		
Financial treasury bills	-	395,868	6,203,991	-	6,599,859		
Bank deposit certificates	3,510	-	-	20,566	24,076		
Debentures	-	82,559	16,378	-	98,937		
Other	4,543,329	719,122	-	89,463	5,351,914		
- Pension plans	18,296,159	34,796,357	52,074,080	81,764	105,248,360		
Financial treasury bills	-	6,842,634	33,909,439	-	40,752,073		
National treasury notes	-	1,339,066	17,603,632	-	18,942,698		
National treasury bills	571,030	14,119,011	-	-	14,690,041		
Other	17,725,129	12,495,646	561,009	81,764	30,863,548		
- Other activities	514,645	-	-	40,763	555,408		
Financial treasury bills	-	-	-	40,763	40,763		
Other	514,645	-	-	-	514,645		
Grand total	43,955,887	42,983,575	63,143,950	13,719,597	163,803,009		
Derivative financial instruments (liabilities) (6)	(18,666,928)	(381,846)	(198,067)	(98,888)	(19,345,729)		

Consolidated Financial Statements, Independent Auditors' Report, Audit Committee Report Summary and Fiscal Council's Report

Notes to the Consolidated Financial Statements**II) Available-for-sale securities**

Securities (8)	2015				Fair/book value		
	1 to 30 days	31 to 180 days	181 to 360 days	More than 360 days	(3)	(4)	(5)
- Financial (2)	27,375,612	17,750,814	10,528,924	72,891,743	128,547,093		
National treasury bills	18,945,062	9,898,546	3,691,052	5,092,656	37,627,316		
Brazilian foreign debt notes	148	-	-	4,643	4,791		
Foreign corporate securities	232,611	64,818	228,649	11,106,835	11,632,913		
National treasury notes	-	5,873,719	3,223,048	26,652,722	35,749,489		
Financial treasury bills	-	-	-	600,390	600,390		
Debentures (7)	-	1,104,168	970,774	28,012,837	30,087,779		
Shares	6,875,158	-	-	-	6,875,158		
Other	1,322,633	809,563	2,415,401	1,421,660	5,969,257		
- Insurance companies and capitalization bonds (2)	1,834,690	1,529,665	2,074,682	6,693,297	12,132,334		
National treasury notes	-	949,602	442,553	5,578,438	6,970,593		
Shares	980,756	-	-	-	980,756		
National treasury bills	849,551	580,063	1,632,129	1,051,884	4,113,627		
Other	4,383	-	-	62,975	67,358		
- Pension plans (2)	1,133,169	107,054	4,251,767	4,353,002	9,844,992		
Shares	1,123,289	-	-	-	1,123,289		
National treasury notes	-	107,054	4,251,767	3,911,981	8,270,802		
Debentures	-	-	-	95,659	95,659		
Other	9,880	-	-	345,362	355,242		
- Other activities	5,072	-	-	-	5,072		
Other	5,072	-	-	-	5,072		
Subtotal	30,348,543	19,387,533	16,855,373	83,938,042	150,529,491		
Hedge - cash flow (Note 7f)	-	-	-	-	-		
Securities reclassified to "Held-to-maturity securities" (2)	-	-	-	-	-		
Grand total	30,348,543	19,387,533	16,855,373	83,938,042	150,529,491		

Bradesco

Consolidated Financial Statements, Independent Auditors' Report, Audit Committee Report Summary and Fiscal Council's Report

Notes to the Consolidated Financial Statements**III) Held-to-maturity securities**

Securities	On December 31 - R\$ thousand					
	2015			2014		
	1 to 30 days	31 to 180 days	181 to 360 days	More than 360 days	Original amortized cost (3)	Original amortized cost (4)
- Financial	1,614	311	1,080	12,595,533	12,598,538	38,874
Brazilian foreign debt notes	1,614	-	-	39,478	41,092	38,874
Certificates of real estate receivables (2)	-	311	1,080	12,556,055	12,557,446	-
- Insurance companies and capitalization bonds	-	-	-	4,704,538	4,704,538	4,249,491
National treasury notes	-	-	-	4,704,538	4,704,538	4,249,491
- Pension plans	-	-	-	-22,700,484	22,700,484	20,782,666
National treasury notes	-	-	-	-22,700,484	22,700,484	20,782,666
Grand total	1,614	311	1,080	40,000,555	40,003,560	25,071,031

Economic and Financial Analysis Report – December 2015

Consolidated Financial Statements, Independent Auditors' Report, Audit Committee Report Summary and Fiscal Council's Report

Notes to the Consolidated Financial Statements**c) Breakdown of the portfolios by financial statement classification**

Securities	On December 31, 2019				
	1 to 30 days	31 to 180 days	181 to 360 days	More than 360 days	Total
Own portfolio	50,254,660	57,044,550	75,155,947	109,517,330	291,968,487
Fixed income securities	40,636,613	57,044,550	75,155,947	109,517,330	282,354,440
Financial treasury bills	-	9,531,642	43,242,220	1,641,147	54,415,009
National treasury notes	-	8,138,576	22,408,838	49,015,033	79,562,447
Brazilian foreign debt securities	55,677	-	-	1,416,623	1,472,300
Bank deposit certificates	1,893,125	2,087,185	-	20,566	3,980,876
National treasury bills	14,569,322	20,780,520	4,272,140	1,759,785	40,681,767
Foreign corporate securities	803,551	133,041	311,138	7,004,704	8,252,434
Debentures (7)	161,218	3,350,446	1,602,196	30,618,268	35,732,128
Other	23,153,720	13,023,140	3,319,415	18,041,204	57,537,479
Equity securities	9,618,047	-	-	-	9,618,047
Shares of listed companies (technical provision)	1,162,338	-	-	-	1,162,338
Shares of listed companies (other)	8,455,709	-	-	-	8,455,709
Restricted securities	5,924,151	420,280	4,516,919	27,425,513	38,286,863
Repurchase agreements	5,914,680	3,292	2,414,038	20,089,228	28,421,238
National treasury bills	5,839,377	3,292	1,125,668	2,037,405	9,005,742
Financial treasury bills	-	-	3,969	235,076	239,045
National treasury notes	-	-	1,284,401	13,585,153	14,869,554
Foreign corporate securities	75,303	-	-	4,231,594	4,306,897
Brazilian Central Bank	-	-	-	22,065	22,065
National treasury bills	-	-	-	22,065	22,065
Privatization rights	-	-	-	52,472	52,472
Guarantees provided	9,471	416,988	2,102,881	7,261,748	9,790,988
National treasury bills	-	180,296	95,382	2,421,472	2,697,150
Financial treasury bills	-	-	592	1,876,863	1,877,455
National treasury notes	-	236,692	2,006,907	2,963,413	5,207,012
Other	9,471	-	-	-	9,471
Derivative financial instruments (1) (6)	18,127,233	510,688	257,736	137,324	19,032,981
Securities subject to unrestricted repurchase agreements	-	4,395,901	69,801	578,027	5,043,729
National treasury bills	-	4,395,901	69,801	422,568	4,888,270
National treasury notes	-	-	-	155,459	155,459

Grand total
%

74,306,044 62,371,419 80,000,403 137,658,194 354,
21.0 17.6 22.6 38.8

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Consolidated Financial Statements, Independent Auditors' Report, Audit Committee Report Summary and Fiscal Council's Report

Notes to the Consolidated Financial Statements

- (1) Consistent with the criteria in Bacen Circular Letter No. 3,068/01 and due to the characteristics of the securities, we are classifying the derivative financial instruments, except those considered as cash flow hedges in the category Trading Securities;
- (2) In compliance with Article 8 of Bacen Circular Letter No. 3,068/01, Bradesco declares that it has the financial capacity and intention to maintain held-to-maturity securities until their maturity dates. The mark-to-market of securities, which were transferred from the category "Securities Available for Sale" to the category of "Securities Held to Maturity", in June 2015 and in December 2013, was maintained in the shareholders' equity and will be recognized in the results for the remaining term of these securities, according to Bacen Circular No. 3,068/01;
- (3) The number of days to maturity was based on the contractual maturity of the instruments, regardless of their accounting classification;
- (4) This column reflects book value after mark-to-market accounting in accordance with item (5), except for securities classified as securities held to maturity, which fair value is less than the original amortized cost by R\$1,389,530 thousand (higher than amortized cost value to the amount of R\$2,070,497 thousand in 2014);
- (5) The fair value of securities is determined based on the market price available at the end of the reporting period. If no market price quotation is available at the end of the reporting period, amounts are estimated based on the prices quoted by dealers, pricing models, quotation models or price quotations for instruments with similar characteristics. For investment funds, the original amortized cost reflects the fair value of the respective quotas;
- (6) Includes hedge for protection of assets and liabilities, denominated in or indexed to foreign currency, primarily, arising from foreign investments, eliminating the effects of exchange variation of these assets and liabilities. For a better analysis of these items, consider the net exposure (Note 7d II);
- (7) In March 2015, there was a modification in the calculation method of the market capitalization of debentures, using market parameters (Brazilian Association of Entities of the Financial and Capital Markets – Anbima); and
- (8) In the period ended December 31, 2015, there were losses through impairment in the amount of R\$424,522 thousand, related to the heading "Variable Income Securities", classified in the category "Securities Available for Sale" (R\$1,214,770 thousand on December 31, 2014).

d) Derivative financial instruments

Bradesco carries out transactions involving derivative financial instruments, which are recorded in the statement of financial position or in off-balance-sheet accounts, to meet its own needs in managing its global exposure, as well as to meet its customer's requests, in order to manage their exposure. These operations involve a range of derivatives, including interest rate swaps, currency swaps, futures and options. Bradesco's risk management policy is based on the utilization of derivative financial instruments mainly to mitigate the risks from operations carried out by the Bank and its subsidiaries.

Securities classified as trading and available-for-sale, as well as derivative financial instruments, are recognized in the consolidated statement of financial position at their fair value. Fair value is generally based on quoted market prices or quotations for assets or liabilities with similar characteristics. Should market prices not be available, fair values are based on dealer quotations, pricing models, discounted cash flows or similar techniques for which the determination of fair value may require judgment or significant estimates by Management.

Quoted market prices are used to determine the fair value of derivative financial instruments. The fair value of swaps is determined by using discounted cash flow modeling techniques that use yield curves, reflecting adequate risk factors. The information to build yield curves is mainly obtained from the Securities, Commodities and Futures Exchange (BM&FBOVESPA) and the domestic and international secondary market. These yield curves are used to determine the fair value of currency swaps, interest rate and other risk factor swaps. The fair value of forward and futures contracts is also determined based on market price quotations for derivatives traded at the exchange or using methodologies similar to those outlined for swaps. The fair values of credit derivative instruments are determined based on market price quotation or from specialized entities. The fair value of options is determined based on mathematical models, such as Black & Scholes, using yield curves, implied volatilities and the fair value of corresponding assets. Current market prices are used to calculate volatility.

Derivative financial instruments in Brazil mainly refer to swaps and futures and are registered at the OTC Clearing House (Cetip) and BM&FBOVESPA.

Operations involving forward contracts of interest rates, indexes and currencies are contracted by Management to hedge Bradesco's overall exposures and to meet customer needs.

Foreign derivative financial instruments refer to swap, forward, options, credit and futures operations and are mainly carried out at the stock exchanges in Chicago and New York, as well as the over-the-counter (OTC) markets.

Consolidated Financial Statements, Independent Auditors' Report, Audit Committee Report Summary and Fiscal Council's Report

Notes to the Consolidated Financial Statements**l) Amount of derivative financial instruments recorded in off-balance-sheet accounts**

	On December 31 - R\$ thousand			
	2015		2014	
	Grand total amount	Net amount	Grand total amount	Net amount
Futures contracts				
Purchase commitments:	154,697,805	-	78,666,806	-
- Interbank market	120,562,790	70,073,264	59,298,642	-
- Foreign currency (1)	34,101,616	-	16,145,870	-
- Other	33,399	-	3,222,294	2,984,059
Sale commitments:	91,914,641	-	137,039,683	-
- Interbank market (2)	50,489,526	-	110,759,701	51,461,059
- Foreign currency (3)	41,360,434	7,258,818	26,041,747	9,895,877
- Other	64,681	31,282	238,235	-
Option contracts				
Purchase commitments:	4,427,686	-	26,038,319	-
- Interbank market	3,840,166	201,976	23,409,200	-
- Foreign currency	559,071	-	2,190,621	479,247
- Other	28,449	-	438,498	314,801
Sale commitments:	9,901,395	-	32,429,075	-
- Interbank market	3,638,190	-	30,594,004	7,184,804
- Foreign currency	6,233,860	5,674,789	1,711,374	-
- Other	29,345	896	123,697	-
Forward contracts				
Purchase commitments:	15,132,203	-	8,484,246	-
- Foreign currency	15,014,083	-	8,372,687	-
- Other	118,120	-	111,559	-
Sale commitments:	16,206,711	-	9,697,207	-
- Foreign currency	16,056,742	1,042,659	9,280,704	908,017
- Other	149,969	31,849	416,503	304,944
Swap contracts				
Assets (long position):	125,698,733	-	29,447,838	-
- Interbank market	45,695,726	-	3,490,671	-
- Fixed rate	43,858,054	40,363,110	4,161,434	2,018,732
- Foreign currency	33,543,125	22,011,883	17,935,347	9,055,701
- IGPM	1,336,950	1,141,950	864,500	104,750

- Other	1,264,878	-	2,995,886	1,388,053
Liabilities (short position):	72,328,360	-	21,900,552	-
- Interbank market	53,980,094	8,284,368	8,510,621	5,019,950
- Fixed rate	3,494,944	-	2,142,702	-
- Foreign currency (3)	11,531,242	-	8,879,646	-
- IGPM	195,000	-	759,750	-
- Other	3,127,080	1,862,202	1,607,833	-

Derivatives include operations maturing in D+1.

(1) Includes, on December 31, 2015, the hedging of the firm commitment concerning the purchase and sale of shares agreement, to the sum of R\$20,250,293 thousand (Note 34e);

(2) Includes cash flow hedges to protect CDI-related funding, totaling R\$20,038,119 thousand (R\$21,107,308 thousand in 2014) (Note 7f); and

(3) Includes specific hedges to protect assets and liabilities, arising from foreign investments, totaling R\$56,280,814 thousand (R\$37,598,682 thousand in 2014).

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Consolidated Financial Statements, Independent Auditors' Report, Audit Committee Report Summary and Fiscal Council's Report

Notes to the Consolidated Financial Statements**II) Breakdown of derivative financial instruments (assets and liabilities) shown at original amortized cost and fair value**

	2015			On December 31 - R\$ thousand 2014		
	Original amortized cost	Mark-to-market adjustment	Fair value	Original amortized cost	Mark-to-market adjustment	Fair value
Adjustment receivable - swaps(1)	23,592,073	(7,028,285)	16,563,788	1,952,660	922,950	2,875,610
Adjustment receivable - future	75,217	-	75,217	25,511	-	25,511
Receivable forward purchases	1,863,780	-	1,863,780	1,038,259	-	1,038,259
Receivable forward sales	322,215	-	322,215	320,431	-	320,431
Premiums on exercisable options	225,765	(17,784)	207,981	294,706	32,842	327,548
Total assets (A)	26,079,050	(7,046,069)	19,032,981	3,631,567	955,792	4,587,359
Adjustment payables - swaps	(10,112,722)	(5,863,369)	(15,976,091)	(1,697,878)	(440,124)	(2,138,002)
Adjustment payables - future	(20,614)	-	(20,614)	(36,761)	-	(36,761)
Payable forward purchases	(47,195)	-	(47,195)	(461,901)	-	(461,901)
Payable forward sales/other	(3,180,895)	-	(3,180,895)	(548,864)	-	(548,864)
Premiums on written options	(140,269)	19,335	(120,934)	(131,567)	(1,529)	(133,096)
Total liabilities (B)	(13,501,695)	(5,844,034)	(19,345,729)	(2,876,971)	(441,653)	(3,318,624)
Net Effect (A-B)	12,577,355	(12,890,103)	(312,748)	754,596	514,139	1,268,735

(1) Includes receivable adjustments relating to hedge of assets and liabilities, designated and/or indexed in foreign currency, primarily, arising from foreign investments, eliminating the effects of exchange variation of these assets and liabilities.

III) Futures, options, forward and swap contracts – (Notional)

	On December 31 - R\$ thousand					
	1 to 90 days	91 to 180 days	181 to 360 days	More than 360 days	2015	2014
Futures contracts (1) (2)	146,417,961	25,850,501	24,427,665	49,916,319	246,612,446	215,706,489

Option contracts

914,921 9,190,528 502,688 3,720,944 14,329,081